CITY OF COPPELL, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

Prepared by:

Department of Finance

Jennifer Miller
Director of Finance

CITY OF COPPELL, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019

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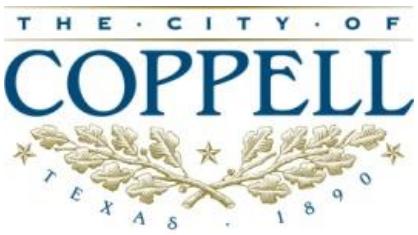
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February 13, 2020

Honorable Mayor and City Council
City of Coppell, Texas

Dear Mayor and Council:

The Comprehensive Annual Financial Report of the City of Coppell, Texas (the "City"), for the year ended September 30, 2019, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue an annual report on its financial position and activity, and that an independent firm of certified public accountants audit this report.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City Council selected the firm of Weaver and Tidwell, L.L.P. to audit these financial statements. The independent auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2019, and the auditor's report is located at the front of the financial section of the Comprehensive Annual Financial Report.

Management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

Profile of the Government

Location and Population:

The City of Coppell is located in the northwest portion of Dallas County with a small area of the City extending into Denton County. The City is bound by the cities of Lewisville on the north, Grapevine on the west, Carrollton on the east, Irving on the south, Dallas on the southeast, and the Dallas-Fort Worth International Airport on the southwest. Interstate Highway 635 is a direct route between the City and City of Dallas. The City of Fort Worth is approximately 20 miles to the southwest via Highway 121. Coppell's land area is 14.71 square miles and has an estimated population of 41,290.

Governing Body:

The City of Coppell was originally incorporated December 17, 1955. The current Charter was adopted January 18, 1986 and amended August 28, 2001. The City is a home rule city and operates under the Council-Manager form of government. The legislative and governing body of the City consists of a Mayor and seven (7) Council members and is known as the "City Council of the City of Coppell, Texas." The Council members are elected by place at large under the general provisions provided by Article III of the Charter for three (3) year terms. The three (3) year terms are staggered. Commencing with the regular municipal election of 2002, council members for Places 1, 3, 5, and 7 shall be elected for a term of three (3) years. Commencing with the regular municipal election of 2003, council members for Places 2, 4, 6, and the mayor shall be elected for a term of three (3) years. The Mayor and each Councilmember, unless sooner removed under the provisions of the City Charter, hold office until a successor is elected and qualified. Regular terms of office commence at the beginning of the first regular meeting of the Council in May or following the final election as provided in section 3.01 of the City Charter.

The Charter requires that the Council appoint a City Manager to act as the chief administrative and executive officer of the City. The City Manager is not appointed for a definite fixed time and may be removed at the will and pleasure of the majority of the Council. It is the responsibility of the City Manager to appoint and remove department heads and conduct the general affairs of the City in accordance with the policies of Council.

Services Provided by the City:

The City provides to its citizens those services which have proven to be necessary and meaningful and can be provided by the City at the least cost. Major services provided are: police and fire protection, emergency ambulance service, water and sewer service, park and recreational facilities and a library with 85,520 physical volumes and 8,303 digital volumes. Other services include planning future land use, traffic control, building inspection, and environmental control.

Electrical, gas, telephone and cable television services are provided by privately-owned utility companies. These companies are Oncor, Atmos, Frontier, AT&T, and Spectrum, respectively.

Budgeting:

The City Charter establishes the fiscal year as the twelve-month period beginning October 1. The departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year no later than the first of July. The City Manager subsequently submits a budget of estimated expenditures and revenues, by August 5, to the City Council.

Upon receipt of the budget estimates, the Council holds a public hearing on the budget ordinance and tax rate ordinance. Information about the budget ordinance is then published in the official newspaper of the City. The Council is precluded from passing the budget ordinance until fourteen days have passed after the ordinance publication.

During the fiscal year, budgetary control is maintained by comparison of departmental appropriation balances with purchase orders prior to their release to vendors. Purchase orders which exceed appropriated balances are not released until they have been further reviewed and approved by the City Manager or his designee.

Departmental appropriations, that have not been expended or encumbered by the departments at the end of the fiscal year, lapse. Therefore, funds that were budgeted and not used by the departments during the fiscal year are not available for their use unless appropriated in the ensuing fiscal year's budget.

The City Council approves annual appropriations for operations and interfund transfers for all operating and debt service funds. The City Manager has the authority to transfer unexpended balances between departmental budgets within appropriated funds. The City Council, however, must approve any increase in fund appropriations. The legal level of budgetary control is the fund level. For additional information about the budget process, see Note 2 of the Notes to Financial Statements.

Reporting Entity:

This report includes all funds of the City of Coppell and its component units. A component unit is a legally separate entity for which the city is financially accountable. A "blended component unit", although a legally separate entity is, in substance, part of the City's operations. Accordingly, the Coppell Recreation Development Corporation #1 and Coppell Recreation Development Corporation #2 are reported in two special revenue funds, a capital project fund, and a debt service fund and The Coppell Economic Development Foundation is recorded as a special revenue fund.

Local Economy

Coppell has a large industrial area within the City with rail service and adequate water storage to meet fire protection and other demands. The City is not financially dependent upon any one industry or type of industry. The City recognizes the value of industry to its economic base and continues to seek industry which will be beneficial to the community.

The City has direct access to Interstate Highway 635 and easy access to Interstate Highway 35. Railroad freight service is provided by the Dallas, Garland, and Northeastern Railroad which operates along the Cotton Belt Rail Corridor. The City is located only four miles northeast of the Dallas-Fort Worth International Airport.

The City is served by the Coppell Independent School District (CISD), one of the highest rated school districts in the Dallas-Fort Worth metropolitan area. The City has two high schools, three middle schools, and ten elementary schools. Enrollment for 2018/19 school year was 13,261 with a pupil-teacher ratio of one teacher to 17 students. The school administration and citizenry have taken an aggressive approach in the support and financing of an outstanding school system and excellent facilities.

Colleges within close proximity to the City are Northlake College, Tarrant County College, Southern Methodist University, University of Dallas, University of North Texas, Texas Woman's University, University of Texas at Dallas, University of Texas at Arlington, and Texas Christian University, all of which are well-known for their educational standards.

Medical services are provided by the Coppell Family Physicians. Full-service hospitals in the immediate area include Trinity Medical Center, Las Colinas Medical Center, Medical Center Lewisville and Baylor-Grapevine Hospital. An advanced life support program is provided by paramedic employees of the City's fire department.

Coppell, located in the Dallas-Fort Worth Metroplex, and included as one of the thirteen cities which comprise the Mid-Cities, continues to grow and develop. This growth and development should continue in subsequent years as Coppell has close proximity to the Dallas-Fort Worth metropolitan area and the Dallas-Fort Worth International Airport.

The City has recognized the need for planning of its systems for handling growth as well as land-use planning and development. Many hours continue to be spent by a highly competent and professional staff to ensure positive benefits from development.

Long-term Financial Planning

Unassigned Fund Balance:

The $56,100,850 unassigned fund balance in the General Fund is the equivalent of 98.3 percent of general fund expenditures. The financial policy guidelines set by the Fund Balance Policy approved by the governing body states that the unassigned classification includes all amounts not contained in other classifications and that the unassigned fund balance for the general fund will be maintained at a level sufficient to provide the required resources to meet operating costs needs, to allow for unforeseen needs of an emergency nature, and to permit orderly adjustments to changes resulting from fluctuation of revenue sources. On an annual basis, the City studies a five-year plan for evaluating tax rates and utility rates as they relate to debt financing for capital needs and the operating costs of providing services to citizens.

Authority to Issue Debt:

The City Charter states "the City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by law and this charter and to issue refunding bonds to refund outstanding bonds previously issued." The Charter precludes the use of bond proceeds for any purpose other than that for which the bonds were sold.

Bond Rating

The City's bond ratings are as follows:

	General Obligation	Sales Tax
Standard & Poor’s	AAA	AA
Moody's Investor Services	Aaa	Aa2

Major Initiatives

With over 28 million square feet of commercial space in the City of Coppell, vacancy rates continue to remain low in all commercial categories. While new construction is not as abundant due to the lack of vacant land, the City still welcomed new industrial warehouses, office buildings, hotels and retail centers. Approximately 50 new businesses opened in 2019, which brings the total number of businesses in Coppell to over 1,500 and those businesses employ over 23,000 individuals.

While new development and business attraction will always remain a critical focus, creating new investment through business retention and redevelopment has become more important as the City nears build-out. As part of business retention efforts, the City started a Workforce Transit program in partnership with Lyft and Denton County Transportation Association for Coppell employers in 2019. This test program is free of charge for employers and provides rides at a minimal cost for riders. The program will run from October 1, 2019 through September 30, 2020. During this time, data will be gathered to determine if a long-term solution for Workforce Transit is needed. The City also hosted its first annual virtual job fair for Coppell businesses in 2019. The event was a huge success and will continue to be offered in the future. Both of these initiatives are designed to help businesses attract and retain employees.

The City continues to invest in City facilities, roadways, community events, and public spaces. City Council approved funding for a new Arts Center in 2018. The facility broke ground in Old Town Coppell and has a planned opening date in May of 2020. The main performance hall will seat up to 441 patrons and will include 2,200 square feet of stage space. The black box/flex theater will seat 195 patrons (depending on seating arrangement) and total 2,650 square feet. The multi-purpose space will total 2,000 square feet, accommodate 100-165 people and will be used for community and arts organizations to hold rehearsals and meetings. There will also be a gallery and studio space. The gallery will provide pre-function, waiting, gallery, banquets, lectures, and concessions. The studio provides flexible classroom space intended for visual, textile, and graphic artists, but it can be used in a variety of ways.

City Council also approved a 4th fire station in 2019. The strategic location of this new fire station will help with the Fire Department's current area of coverage and response times to help the City maintain its ISO 1 Rating. The Fire Department was awarded the SAFER Grant to help employ the new fire fighters to staff the additional station. The ground-breaking ceremony will take place for the new station in early 2020.

Roadway improvements continue to improve access in and around the City. Construction of South Freeport Parkway began in 2018 and is scheduled to be completed in 2020. Reconstruction of Parkway Boulevard began in 2019 and will be completed in 2020. Additional roadway improvement projects are also currently in the design stage. The City partnered with Dallas County and the City of Irving and completed an extension of the Campion Trail to Coppell in 2019. The project includes over 2 miles of a 12' wide concrete trail.

City Council accepted the Vision 2040 Plan and adopted the goals and pillars from that plan in 2019. Two new citizen Boards were created as a result. The Smart City Board and the Future Oriented Approach to Residential Development Task Force will begin meeting in 2020 to discuss topics and serve as advisory committees on important topics that were a result of that visioning process. A second cohort for Allies in Community Service was also started this year. Allies in Community strives to enhance residents' active engagement in Coppell. Allies in Community will build bridges across generations and

cultures, engage stakeholders in a shared vision for the future, and foster community alliances to sustain and grow Coppell's enduring legacy as a Family Community for a Lifetime.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a "Certificate of Achievement for Excellence in Financial Reporting" to the City of Coppell for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2018. The Certificate of Achievement is the highest form of recognition for excellence in state and local government reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such comprehensive annual financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Coppell received the Certificate of Achievement for the last thirty years (fiscal years ended September 30, 1989-2018). We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the Department who assisted and contributed in its preparation. We would like to thank the members of the City Council for their cooperation and support, without whom the accomplishments and improvements realized in the current year would not have been possible.

Respectfully submitted,

Mike Land
City Manager

Jennifer Miller
Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Coppell

Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrill

Executive Director/CEO

City of Coppell, Texas

Principal Officers

Fiscal Year 2018-2019

MAYOR

Karen Hunt

MAYOR PRO TEM

Cliff Long

CITY COUNCIL

Brianna Hinojosa-Flores
Wes Mays
Gary Roden
Nancy Yingling
Biju Mathew
Mark Hill

CITY MANAGER

Mike Land

DEPUTY CITY MANAGERS

Traci Leach
Vicki Chiavetta

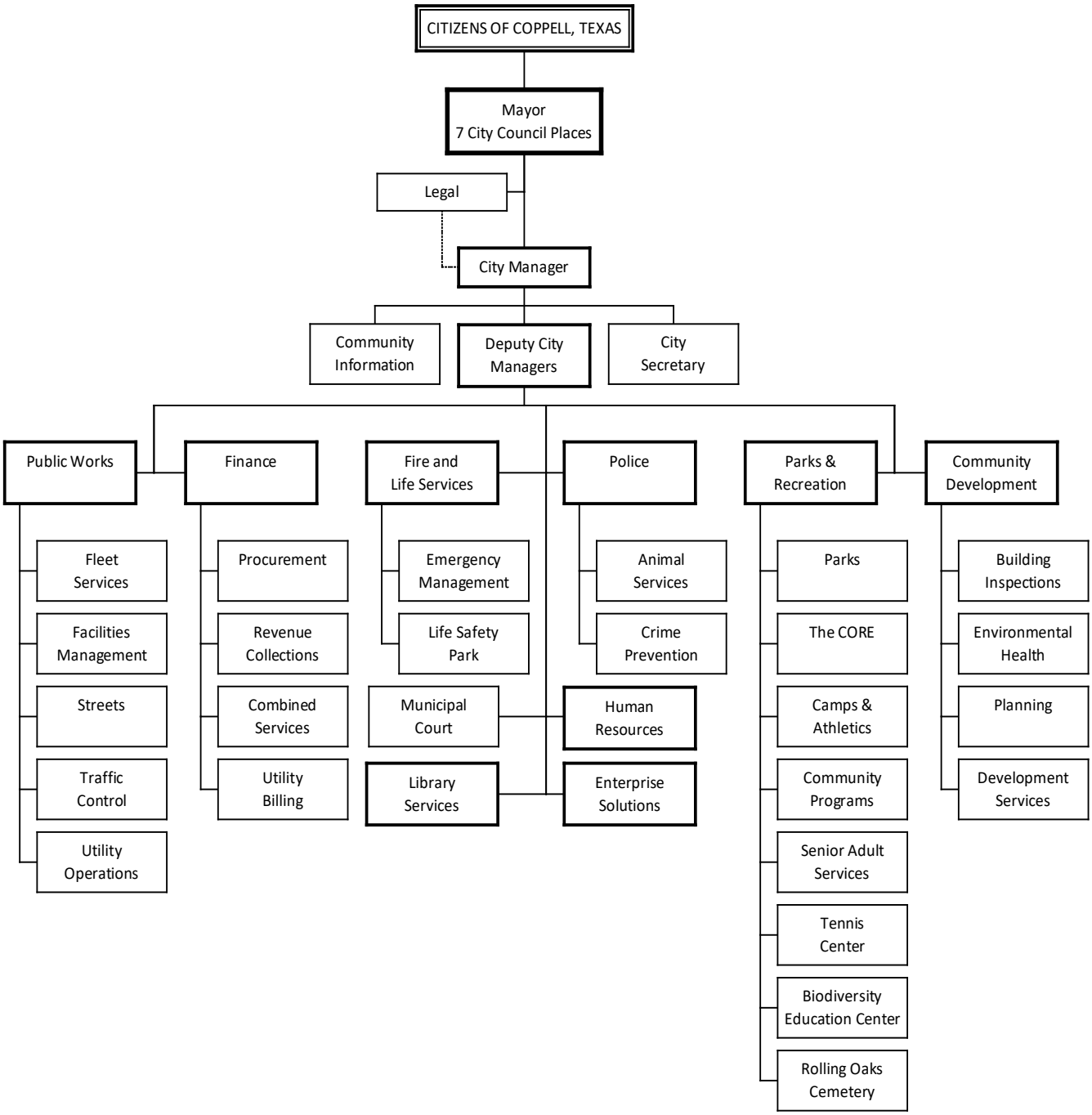
DIRECTOR OF FINANCE

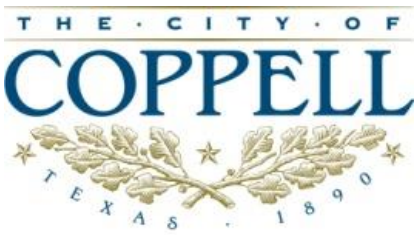
Jennifer Miller

ASSISTANT DIRECTOR OF FINANCE

Kim Tiehen

City-Wide Organizational Chart

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Independent Auditor's Report

The Honorable Mayor, City Council, and City Manager
City of Coppell, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coppell (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparisons for the general fund and the infrastructure maintenance special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 15-27), pension schedules and other post-employment benefits (OPEB) schedules (pages 81-85) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The Honorable Mayor, City Council, and City Manager
City of Coppell, Texas

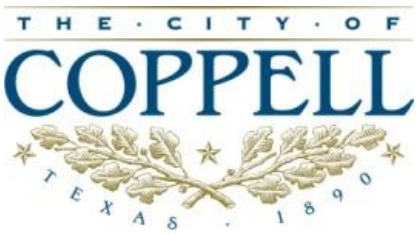
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 13, 2020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CITY OF COPPELL, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2019

Our discussion and analysis of the City of Coppell's (the City) financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the accompanying transmittal letter and the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's net position at the close of the fiscal year ended September 30, 2019 was $391.3 million. Of this amount, $100.9 million (unrestricted component of net position) may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's net position of governmental activities increased by $24.4 million or 8.0 percent. The increase is attributable to a $6.5 million increase in sales tax revenues, an increase of $2.6 million in property tax collections, and an increase in investment earnings of $2.1 million. Property values continue to rise because of the continued growth of the economy in the Dallas-Fort Worth area. The increase in sales tax is attributed to a strong local economy and overall growth of business in the City.

- Net position of the City's business type activities increased by $1.9 million primarily because of a decrease of $0.7 million decrease in the cost of water and sewer treatment services.

- Current and other assets of the governmental activities increased $9.7 million or 5.4 percent in comparison with the prior fiscal year. This increase is due to an increase in investments because of the increased sales tax collections of $6.5 million and an increase in property tax revenues of $2.6 million.

- Total expenses of all the City's programs increased during the current fiscal year by $3.5 million or 3.5 percent. The increase is attributed to increases of $2.8 million in public safety expenses, $2.1 million in culture and recreation expenses, $1.7 million in interest on long term debt, and reduced by decreases of $0.6 million in general government, $1.6 million in public works expenses, $0.2 million in bond issuance costs, and $0.7 million of water and sewer expenses.

- As of September 30, 2019, the City's governmental funds reported combined ending fund balances of $158.9 million, an increase of $3.6 million in comparison with the prior fiscal year. Approximately $56.1 million, or approximately 98.3 percent of total General Fund expenditures is available for spending at the City's discretion (unassigned fund balance).

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to private-sector business.

The statement of net position presents information on all the City's assets and deferred outflows, as well as liabilities and deferred inflows, with the difference between these reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of net position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other non-financial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.) to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (such as uncollected taxes and earned but unused vacation leave.) Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and culture and recreation. The business-type activities of the City include the water and sewer system.

The Recreation Development Corporation and the Coppell Economic Development Foundation, although legally separate, function for all practical purposes as departments of the City of Coppell, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found in the basic financial statements section of this report.

Reporting the City's Most Significant Funds

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance

with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. The governmental funds' focus on *near-term inflows and outflows of spendable resources* helps users of the financial statements to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The City maintains twenty-nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the general obligation debt service fund, the streets capital project fund, the recreation development capital project fund, and the infrastructure maintenance special revenue fund, all of which are considered to be major funds. Data from the other twenty-four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its water and sewer operations. The *Internal Service fund* is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-funded health program and capital replacement program. Because these services predominantly benefit governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, which is considered to be a major fund of the City as well as information for the internal service funds.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City. The permanent fund

reported by the City is used to account for the assets and earnings used to support the operations and maintenance of the Rolling Oaks Cemetery.

The City as Trustee

Reporting the City's Fiduciary Responsibilities

Fiduciary funds. The City maintains one *agency fund*, the Health Reimbursement Arrangement Fund. An agency fund is a type of Fiduciary fund. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Trust Funds. The City uses *trust funds* to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The Private-purpose Trust fund reported by the City is used to account for pre-need interment and memorial arrangements made through the Rolling Oak Cemetery. The OPEB Trust fund reported by the City is used to report resources that are required to be held in trust for employees and their beneficiaries.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's retirement plan and the progress in funding its obligation to provide other post-employment benefits to employees. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

The City as a Whole

Government-wide Financial Analysis

The City's combined net position was $391.3 million as of September 30, 2019. Analyzing the net position of governmental and business-type activities separately, the business type activities net position is $63.5 million. This analysis focuses on the net position (Table 1), general revenues (Table 2), and changes in net position (Table 3) of the City's governmental and business-type activities.

By far the largest portion of the City's net position (62.2 percent) reflects its investment in capital assets (such as land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources

needed to repay this debt must be provided from other sources, since the capital assets themselves generally are not used to liquidate these liabilities.

Table 1
NET POSITION
(In millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current and other assets	$ 188.5	$ 178.8	$ 24.1	$ 27.5	$ 212.6	$ 206.3
Noncurrent Assets	1.2	-	1.0	-	2.2	-
Capital assets	289.7	277.6	53.5	51.1	343.2	328.7
Total assets	479.4	456.4	78.6	78.6	558.0	535.0
Deferred outflows of resources	12.9	6.1	0.5	0.2	13.4	6.3
Long-term liability outstanding	140.6	144.6	12.5	12.8	153.1	157.4
Other liabilities	23.4	10.6	3.1	4.2	26.5	14.8
Total liabilities	164.0	155.2	15.6	17.0	179.6	172.2
Deferred inflows of resources	0.5	3.9	-	0.2	0.5	4.1
Net position:						
Net investment in capital assets	197.5	195.6	45.9	48.5	243.4	244.1
Restricted	47.0	39.2	-	-	47.0	39.2
Unrestricted	83.3	68.6	17.6	13.1	100.9	81.7
Total net position	$ 327.8	$ 303.4	$ 63.5	$ 61.6	$ 391.3	$ 365.0

Governmental Activities

The City's general revenues and transfers increased when compared to the prior year by 12.0 percent or $10.6 million. The primary reason for the increase was increases in sales tax revenue of $6.5 million, property tax by $2.6 million, investment earnings of $2.1 million, offset by decrease in franchise tax by $0.3 million, and $0.3 million in sales of capital assets. The property tax increase is attributed to a rise in taxable assessed property values. The sales tax economic development incentives decreased by $0.7 million.

The citizens approved the collection of ¼ of one percent of sales tax for street maintenance and another ¼ of one percent for a crime prevention district. The sales tax collected for street maintenance is recorded in the Infrastructure Maintenance Special Revenue Fund and the sales

tax collected for the Crime Prevention District is recorded in the Crime Prevention District Special Revenue Fund.

The increase in the City's Governmental Activities' general revenues is detailed below (Table 2):

Table 2
General Revenues and Transfers
(in Millions)

	2019	2018	Increase (Decrease)
Property Tax	$ 43.1	$ 40.5	$ 2.6
Sales Tax	46.7	40.2	6.5
Franchise Tax	4.3	4.6	(0.3)
Miscellaneous	0.5	0.5	-
Gain on Sale of Capital Assets	0.1	0.4	(0.3)
Investment Earnings	4.5	2.4	2.1
Transfers	0.1	0.1	-
Total general revenues and transfers	$ 99.3	$ 88.7	$ 10.6

Governmental activities increased the City's net position by $24.4 million. The key elements of this increase are as follows:

Table 3
Changes in Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	$ 9.4	$ 9.1	$ 18.1	$ 18.4	$ 27.5	$ 27.5
Operating grants and contributions	0.4	0.7	-	-	0.4	0.7
Capital grants and contributions	0.3	0.6	0.5	0.7	0.8	1.3
General revenue and transfers:						
Property tax	43.1	40.5	-	-	43.1	40.5
Sales tax	46.7	40.2	-	-	46.7	40.2
Franchise tax	4.3	4.6	-	-	4.3	4.6
Other	5.2	3.4	1.6	1.2	6.8	4.6
Total revenues and transfers	109.4	99.1	20.2	20.3	129.6	119.4
Expenses:						
General government	11.5	12.1	-	-	11.5	12.1
Public safety	31.9	29.1	-	-	31.9	29.1
Public works	20.0	21.6	-	-	20.0	21.6
Culture and recreation	16.9	14.8	-	-	16.9	14.8
Bond issuance costs	-	0.2	-	-	-	0.2
Interest on long-term debt	4.7	3.0	-	-	4.7	3.0
Water	-	-	10.4	11.0	10.4	11.0
Sewer	-	-	7.9	8.0	7.9	8.0
Total expenses	85.0	80.8	18.3	19.0	103.3	99.8
Increase (decrease) in net position	24.4	18.3	1.9	1.3	26.3	19.6
Net position – October 1, as restated	303.4	285.1	61.6	60.3	365.0	345.4
Net position – September 30	$ 327.8	$ 303.4	$ 63.5	$ 61.6	$ 391.3	$ 365.0

For the first time in the history of the City, sales tax revenues of $46.7 million exceeded property tax revenues of $43.1 million. Despite the increase in property tax revenue of $2.6 million, sales tax revenue increased $6.5 million which is attributed to a stable economy and represents a 16.2 percent increase from 2018. Capital grants and contributions and operating grants and contributions both decreased by $0.3 million. Other general revenues increased by $1.8 million

because of an increase in investment earnings of $2.1 million partially offset by a decline is sales of capital assets of $0.3 million.

The most significant governmental expense for the City was providing public safety, which incurred expenses of $31.9 million. While funded primarily through general revenues, these expenses were partially offset by revenues collected from a variety of sources, with the largest being from fines and forfeitures, which were $1.5 million for the fiscal year ended September 30, 2019, which was a $0.1 million decrease from the previous fiscal year. The most significant portion of public safety expenses is the cost of personnel, which was approximately $21.2 million.

Business-type Activities

Program revenues of the City's business-type activities were $18.6 million for the fiscal year ended September 30, 2019. Program revenues decreased approximately $0.5 million or 2.6 percent as compared to the prior fiscal year primarily due to a decrease of $0.4 million in water sales, a decrease in donations by $0.3 million, and an increase of $0.1 million in interest income from 2018. Expenses for the City's business-type activities decreased by $0.7 million over the prior fiscal year due to $0.6 million decrease in the cost of water purchases and a $0.1 million decrease in sewer treatment purchases.

- The City's water and sewer system recorded charges for services of $18.1 million. The final budget was $17.0 million.

- The final budget for operating expenses totaled $18.7 million, and actual operating expenses totaled $18.0 million.

Change in net position was anticipated to be a decrease of $2.5 million and actual change in net position was an increase of $1.8 million. The actual increase was more than anticipated because of more than expected revenues in water sales of $0.6 million and sewer sales of $0.5 million and less than expected expenses of $0.4 million in building and facility repairs and $0.3 in water and sewer system repairs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2019, the City had $343.2 million, net of accumulated depreciation, invested in a broad range of capital assets, including police and fire equipment, buildings, park facilities, streets, and water and sewer lines. (See Table 4) This amount represents a net increase (including additions and deductions) of $14.4 million or 4.4 percent more than the prior fiscal year.

Table 4
Net Investment in Capital Assets at Year-end
(in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land	$ 40.1	$ 40.1	$ 0.8	$ 0.8	$ 40.9	$ 40.9
Building and Improvements	61.0	60.4	1.0	1.0	62.0	61.4
Parks and Improvements	55.4	56.0	-	-	55.4	56.0
Streets and Improvements	97.9	105.1	-	-	97.9	105.1
Water and Sewer System	-	-	43.7	45.0	43.7	45.0
Vehicles, Machinery and Equipment	6.7	9.0	1.3	1.5	8.0	10.5
Construction in Progress	28.6	7.1	6.7	2.8	35.3	9.9
Total	$ 289.7	$ 277.7	$ 53.5	$ 51.1	$ 343.2	$ 328.8

This year's major additions included (in millions):

Art Center	$ 10.0
Various Street and Drainage Projects	10.8
Advanced Water Meter Project	4.0
Vehicles, Machinery & Equipment	3.2
Fire - Land, Design, and Firestation 3 Remodel	1.1
Elevated Water Tower	1.0
Enterprise, Human Resources, and Engineering Software	0.7
Park Improvements	0.6
Cemetery Expansion Design	0.6
Police Improvements - Fencing, Security Cameras, and Radio	0.2
Water Tower Improvement and Wheel Loader	0.2
Traffic Signals	0.1
Total	$ 32.5

More detailed information about the City's capital assets is presented in Note 4 in the notes to the financial statements.

Long Term Liabilities

At year-end, the City had $120.6 million in bonds outstanding as compared to $128.7 million at the end of the prior fiscal year, a decrease of $8.1 million or 6.2% percent as shown in Table 5.

Table 5
Outstanding Bonded Debt, at Year-end
(in Millions)

	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds (Backed by the City)	$ 82.0	$ 89.2	$ 10.3	$ 10.9	$ 92.3	$ 100.1
Sales Tax Bonds (Backed by Sales & Use Tax)	28.3	28.6	-	-	28.3	28.6
Total	$ 110.3	$ 117.8	$ 10.3	$ 10.9	$ 120.6	$ 128.7

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to $2.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt. The City had a tax margin of $1.931 per $100 assessed valuation based upon the maximum rates prescribed by law.

The City maintains a self-funded health program. The self-funded health program is responsible for medical claims up to a stop loss of $125,000 per covered individual with an unlimited life time maximum during the fiscal year. Coverage from a private insurance company is maintained for losses in excess of the stop loss amount. An independent claims administrator performs all claims handling procedures.

The City and its employees contribute to the Texas Municipal Retirement System, and recent changes to standards of the Governmental Accounting Standards Board related to pension reporting have resulted in increased volatility of the net pension liability shown in the last two fiscal years financial statements. Net pension liability of the City increased by $13.6 million in fiscal year 2019 to $27.6 million. Detailed information about the net pension liability is presented in Note 10 in the notes to the financial statements.

Other obligations include accrued vacation pay, and other post-employment liability. Information about the City's long-term liabilities is presented in Note 5 in the notes to the financial statements, and detailed information about accrued vacation pay and other post-employment liability is presented in Notes 6 and 13.

THE CITY'S FUNDS

- At the close of the City's fiscal year on September 30, 2019, the governmental funds of the City reported a combined fund balance of $158.9 million, an increase of $3.6 million compared to prior year. The primary reason for the increase in the governmental fund balance as

compared to the previous year is attributed to the net effect of an increase of $9.1 million in property and sales tax revenue, $2.0 million in interest income, and an increase in capital project expenditures of $11.0 million for streets for improvements to Freeport, Parkway Boulevard, and the Art Center.

- The fund balance of the City's General Fund of $75.9 million increased $12.4 million when compared to prior year fund balance. The net change in fund balance in prior year was an increase of $6.0 million. The increase in the net change in fund balance between years is the result of increased revenues of $4.7 million, mostly from property and sales tax revenue increases, a $0.7 million decrease in expenditures, and a $0.6 million decrease in net transfers to other funds.

- The City's General Obligation fund balance remained the same from prior year fund balance of $1.0 million. The fund balance remained the same due to tax and interest revenues nearly offsetting principal retirement and interest charges.

- The City spent $2.5 million in capital outlay in the Streets Capital Project Fund, a decrease of $3.8 million as compared to the prior year. The decrease is the result of completion of $1.2 million in asphalt overlays, completion of Beltline design of $0.6 and a decrease of Freeport Phase II of $2.0 million. Despite the decrease in capital outlay expenditures, there was a decrease in fund balance of $2.3 million to $8.4 million.

- The City's Infrastructure Maintenance Special Revenue Fund balance increased $1.4 million from the prior year fund balance to $21.6 million. The net change in fund balance in the prior year was an increase of $3.4 million, for a net decrease between years of $2.0 million. The overall increase was a result of increases of $2.1 million in cash and investments related to sales tax collections and an increase in payables of $0.7 million.

- The Recreation Development Capital Project fund was a new fund in fiscal year 2015 and received funds from the issuance of $29.0 million in bonds in that year and $14.8 million in 2018. In the 2019 fiscal year, construction began on the Art Center, resulting in a capital outlay increase from $0.1 million to $10.1 million, and a fund balance decrease of $9.7 million to $7.3 million.

- The City's Water and Sewer Fund net position of $63.2 million increased $1.8 million from the prior year. The change in net position in fiscal year 2018 was an increase of $1.1 million. Operating revenues increased by $2.8 million in fiscal year 2018; however, in fiscal year 2019, they decreased $0.1. Although the operating revenues decreased, the net position grew because of a decrease in operating expenses of $1.1 million. The decreased expenses are attributable to decreases in demand for water and sewer of $0.7 million, $0.6 decrease in supplies and services, and an increase to personnel of $0.2 million.

General Fund Budgetary Highlights

During fiscal year 2019, the City Council amended the budget for the General Fund two times. The major reasons for the amendments were for encumbrance carryovers, PIER Phase III, wayfinding signs, and server and equipment repair.

During fiscal year 2019, actual expenditures were $57.1 million compared to the final budget amount of $64.8 million. The $7.7 million variance is the result of less than expected costs associated with salary and salary-related expenditures such as the seasonal temporary jobs, insurance, interns, and salary increases, and with operating services, maintenance, supplies, and other professional services, which all had lower costs than anticipated.

For fiscal year 2019, actual revenues were $70.6 million as compared to the final budget of $70.2 million. The resulting $0.4 million variance was primarily due tax revenues of $0.1 million and investment earnings of $0.3 million more than budgeted.

The City's actual fund balance for the General Fund was $75.9 million as of the fiscal year end, compared to the final budget fund balance of $67.5 million. The positive variance between actual fund balance and final budget is a result of general government, public safety, public works, culture and recreation, and capital outlay expenditures being less than anticipated.

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal year 2019 budget, tax rates, and fees that will be charged for the business-type activities. One of those factors is the economy. The population growth experienced by the City has stimulated local business and development activity, and the community has placed additional demands on the City to maintain or enhance services provided to our citizens. However, the City is very close to residential build out and population growth has slowed.

Due to a healthy economy and the City's unique location, both residential and commercial buildings increased in fiscal year 2019. Coppell is viewed by some as "ground zero" for industrial development because Coppell has direct access to Interstate Highway 635 and easy access to Interstate Highway 35 and is near Dallas/Fort Worth International Airport. Numerous large companies have moved their distribution center, regional office and/or corporate headquarters to Coppell, such as Amazon, The Container Store, CiCi's Pizza, Staples, Uline, Kimberly-Clark, IBM, Barcel USA, McLaren, Shaw Industries and more.

With over 28 million square feet of commercial space in the City of Coppell including several restaurants, retail establishments, industrial warehouses and corporate headquarters. Vacancy rates continue to remain low in all commercial categories. The development of Old Town Coppell remains a goal for the City Council. Construction continues on the Community Arts Center in the Main Street Development.

The above indicators were considered when adopting the General Fund budget for fiscal year 2020. The total combined budget appropriation totals $107.9 million for 25 operating funds. This represents an increase of $0.7 million or 1.0 percent from the 2018-2019 budget. Budgeted

expenditures for fiscal year 2020 in the General Fund increased $5.5 million or 8.4 percent from the 2018-2019 budget. The increase is due to an increase in salary and benefits of $3.0 million, an increase in capital of $2.1 million, an increase in cost of services provided of $0.4 million, an increase in transfers and maintenance of $0.1 million each, a decrease in supplies of $0.2 million. The Debt Service fund decreased $0.7 million because of principal payments and agency fees. The Special Revenue funds decreased by $5.8 million because of decreases in infrastructure and maintenance. The Recreation and Development Corporation decreased by $1.4 million in capital outlay and maintenance expenditures.

Ad valorem tax revenue is determined by two major factors: the total assessed value established by both the Dallas Central Appraisal District and the Denton Central Appraisal District and the tax rate established by the City Council. The City will propose a tax rate of $0.5840 per $100 valuation for fiscal year 2019-2020. According to final figures received from both appraisal districts, the total taxable assessed property tax value for 2019 of $8.0 billion is an increase of $454.9 million or 6.0 percent over 2018-2019 assessed property tax value. The increase is a result of $343.6 million in new property or 4.5 percent while existing property values increased $111.3 million or 1.5 percent. This is the eighth year for property values to increase after three consecutive years of declines due to the economic downturn**.** The General Fund's largest revenue continues to be property tax receipts; however, sales taxes have become another significant source of revenue.

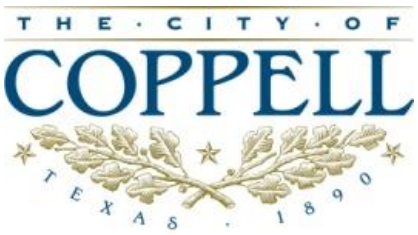
As for the City's business-type activities, the City issued bonds in fiscal year 2018 to fund improvements to a water tower, inflow and infiltration projects, and an advanced water meter project. The advanced water meter project and water tower improvements were completed in 2019.

Future projects under review by the City's Public Works staff are a water system redundancy project and replacement of various sanitary sewer and water lines. Bonds would be issued to fund these projects if approved by Coppell's City Council.

Additionally, the City did not increase water and sewer rates in 2019 because DWU reduced rates as a result of the successful settlement of their rate dispute with the Sabine River Authority and a lower than anticipated increase in costs charged by TRA because the City reduced its flow to TRA when it resolved an inflow and infiltration situation. The City will contract with a third party to perform a water and sewer rate study in 2020 as part of staff's efforts to monitor the adequacy of water and sewer rates to support the operations and maintenance of the water and sewer system.

Request for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance, Attn: Director of Finance, at PO Box 9478, Coppell, Texas 75048-9478, call (972) 304-3690, or email at finance@coppelltx.gov.


THE · CITY · OF
COPPELL
TEXAS · 1890

Government-wide Statement of Net Position
September 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash	$ 3,586,882	$ 1,589,697	$ 5,176,579
Investments	172,928,236	18,126,194	191,054,430
Receivables (net of allowances for uncollectible of $426,917 for governmental and $249,915 for business-type activities	11,827,008	3,951,832	15,778,840
Prepaid items	160,376	3,923	164,299
Inventory	-	406,233	406,233
Total current assets	188,502,502	24,077,879	212,580,381
Noncurrent assets:			
Cash - restricted	5	411,528	411,533
Investments - restricted	98,707	571,325	670,032
Investment in joint venture	1,061,257	-	1,061,257
Capital assets (shown net of accumulated depreciation):			
Land	40,104,882	844,572	40,949,454
Building and improvements	60,965,034	957,204	61,922,238
Parks	55,440,672	-	55,440,672
Streets	97,894,873	-	97,894,873
Water and sewer system	-	43,726,538	43,726,538
Vehicles, machinery, and equipment	6,705,925	1,283,771	7,989,696
Construction in progress	28,579,458	6,739,241	35,318,699
Total noncurrent assets	290,850,813	54,534,179	345,384,992
Total assets	479,353,315	78,612,058	557,965,373
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow-related to pension	11,287,427	476,636	11,764,063
Deferred outflow-related to other post-employment benefits	274,816	14,465	289,281
Deferred charge on refunding	1,357,165	-	1,357,165
Total deferred outflows of resources	12,919,408	491,101	13,410,509
Total assets and deferred outflows of resources	492,272,723	79,103,159	571,375,882
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	9,938,877	1,949,051	11,887,928
Claims liability	510,680	-	510,680
Retainage payable	1,428,096	653,218	2,081,314
Internal balances	289,317	(289,317)	-
Accrued interest	738,533	73,462	811,995
Unearned revenue	1,252,892	-	1,252,892
Compensated absences, due within one year	1,111,791	56,722	1,168,513
Bonds payable, due within one year	8,100,261	627,179	8,727,440
Total current liabilities	23,370,447	3,070,315	26,440,762
Noncurrent liabilities:			
Deposits	-	551,288	551,288
Compensated absences, due in more than one year	2,131,005	28,705	2,159,710
Bonds payable, due in more than one year	109,246,548	10,631,336	119,877,884
Net pension liability	26,409,249	1,186,622	27,595,871
Other post-employment liability	2,779,366	146,283	2,925,649
Total noncurrent liabilities	140,566,168	12,544,234	153,110,402
Total liabilities	163,936,615	15,614,549	179,551,164
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow - related to pension	201,592	9,058	210,650
Deferred inflow - related to other post-employment benefits	284,476	14,973	299,449
Total deferred inflows of resources	486,068	24,031	510,099
NET POSITION			
Net investment in capital assets	197,515,496	45,831,979	243,347,475
Restricted for:			
General government	547,388	-	547,388
Public safety	13,129,384	-	13,129,384
Culture and recreation	23,123,869	-	23,123,869
Economic development	9,621	-	9,621
Capital projects	8,929,809	-	8,929,809
Debt service	682,185	-	682,185
Perpetual care - nonexpendable	596,433	-	596,433
Unrestricted	83,315,855	17,632,600	100,948,455
Total net position	$ 327,850,040	$ 63,464,579	$ 391,314,619

The accompanying notes to financial statements are an integral part of this statement.

Statement of Activities
For the Year Ended September 30, 2019
(continued)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 11,503,100	$ 1,100,064	$ -	$ -
Public safety	31,902,288	4,180,435	398,933	-
Public works	19,994,492	1,096,232	-	334,725
Culture and recreation	16,934,994	3,013,751	18,294	-
Debt service/interest	4,650,896	-	-	-
Total governmental activities	84,985,770	9,390,482	417,227	334,725
Business-type activities:				
Water	10,434,397	11,547,538	-	235,766
Sewer	7,880,335	6,573,028	-	215,377
Total business-type activities	18,314,732	18,120,566	-	451,143
Total primary government	$ 103,300,502	$ 27,511,048	$ 417,227	$ 785,868
General revenues:				
Property tax				
Sales tax				
Franchise tax				
Investment earnings				
Miscellaneous				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

The accompanying notes to financial statements are an integral part of this statement.

Statement of Activities
For the Year Ended September 30, 2019
(concluded)

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
$ (10,403,036)	$ -	$ (10,403,036)
(27,322,920)	-	(27,322,920)
(18,563,535)	-	(18,563,535)
(13,902,949)	-	(13,902,949)
(4,650,896)	-	(4,650,896)
(74,843,336)	-	(74,843,336)
-	1,348,907	1,348,907
-	(1,091,930)	(1,091,930)
-	256,977	256,977
(74,843,336)	256,977	(74,586,359)
43,075,545	-	43,075,545
46,668,635	-	46,668,635
4,266,877	-	4,266,877
4,546,817	657,490	5,204,307
525,860	1,046,052	1,571,912
81,953	3,516	85,469
109,040	(109,040)	-
99,274,727	1,598,018	100,872,745
24,431,391	1,854,995	26,286,386
303,418,649	61,609,584	365,028,233
$ 327,850,040	$ 63,464,579	$ 391,314,619

CITY OF COPPELL, TEXAS

Balance Sheet
Governmental Funds
September 30, 2019

	General	General Obligation	Capital Projects Streets	Capital Projects Recreation Development	Infrastructure Maintenance Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash	$ 18,979	$ 137	$ 562	$ 13,878	$ 42	$ 1,138,895	$ 1,172,493
Investments	77,157,852	963,636	9,602,308	9,497,913	22,219,753	43,457,023	162,898,485
Receivables (net of allowances for uncollectible of $426,917)							
Taxes receivable	4,895,562	77,269	-	-	985,005	2,953,514	8,911,350
Accounts receivable	1,480,447	-	-	-	-	228,198	1,708,645
Interest receivable	243,783	-	12,699	21,760	84,221	95,346	457,809
Other receivable	675,534	-	-	-	-	5,594	681,128
Due from other funds	-	-	-	-	-	28,000	28,000
Prepaid items	160,376	-	-	-	-	-	160,376
Restricted assets:							
Cash	-	-	-	-	-	5	5
Investments	-	-	-	-	-	98,707	98,707
Total assets	84,632,533	1,041,042	9,615,569	9,533,551	23,289,021	48,005,282	176,116,998
DEFERRED OUTFLOWS OF RESOURCES							
Sales tax deferred outflow	312,383	-	-	-	-	-	312,383
Total deferred outflows of resources	312,383	-	-	-	-	-	312,383
Total assets and deferred outflows of resources	$ 84,944,916	$ 1,041,042	$ 9,615,569	$ 9,533,551	$ 23,289,021	$ 48,005,282	$176,429,381
LIABILITIES							
Accounts payable	$ 5,180,288	$ -	$ 126,065	$ 1,705,684	$ 780,592	$ 1,428,617	$ 9,221,246
Accrued liabilities	671,886	-	1,731	-	386	36,244	710,247
Due to other funds	-	-	25,000	-	-	3,000	28,000
Retainage payable	-	-	282,458	518,138	426,662	200,838	1,428,096
Unearned revenue	472,521	-	780,371	-	-	-	1,252,892
Total liabilities	6,324,695	-	1,215,625	2,223,822	1,207,640	1,668,699	12,640,481
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	2,699,719	77,269	-	-	518,312	1,640,597	4,935,897
Total deferred inflow of resources	2,699,719	77,269	-	-	518,312	1,640,597	4,935,897
FUND BALANCES							
Nonspendable	160,376	-	-	-	-	596,433	756,809
Restricted							
General government	547,388	-	-	-	-	-	547,388
Public safety	808,441	-	-	-	-	11,803,027	12,611,468
Culture and recreation	8,691,480	-	-	-	-	13,673,476	22,364,956
Economic development	-	-	-	-	-	9,621	9,621
Capital Projects	-	-	8,399,944	7,309,729	-	17,034,432	32,744,105
Debt service	-	963,773	-	-	-	101,966	1,065,739
Committed							
General government	6,864,856	-	-	-	-	-	6,864,856
Culture and recreation	71,898	-	-	-	-	855,743	927,641
Economic development	966,355	-	-	-	-	17,192	983,547
Public works	358,858	-	-	-	21,563,069	604,096	22,526,023
Assigned							
General government	50,000	-	-	-	-	-	50,000
Culture and recreation	100,000	-	-	-	-	-	100,000
Economic development	250,000	-	-	-	-	-	250,000
Capital projects	950,000	-	-	-	-	-	950,000
Unassigned	56,100,850	-	-	-	-	-	56,100,850
Total fund balances	$ 75,920,502	$ 963,773	$ 8,399,944	$ 7,309,729	$ 21,563,069	$ 44,695,986	$158,853,003
Total liabilities, deferred inflows of resources, and fund balances	$ 84,944,916	$ 1,041,042	$ 9,615,569	$ 9,533,551	$ 23,289,021	$ 48,005,282	$176,429,381

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

Reconciliation of Balance Sheet of Governmental Funds
To the Statement of Net Position
September 30, 2019

Fund balances of governmental funds		$158,853,003
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		289,690,844
Equity investment in Joint Venture is not a current financial resource and therefore are not reported in the governmental funds balance sheet.		1,061,257
Other long-term assets are not available to pay for current-period expenditures, and, therefore, are reported as unavailable revenue in the funds.		
Ambulance Receivable, net of allowance for doubtful accounts	240,022	
Cemetery	86,056	
Property taxes	314,654	
Sales taxes	4,146,098	
Construction inspection fees	149,067	
		4,935,897
Internal service funds are used by management to account for capital replacement and the self-funded health program provided by the City to its employees and their dependents. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		11,704,835
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable	(110,355,000)	
Premium (to be amortized as interest expense)	(6,991,809)	
Deferred charges from refunding	1,357,165	
Accrued interest payable	(738,533)	
Compensated absences	(3,242,796)	
Net pension liability	(26,409,249)	
Deferred outflows - related to pension	11,287,427	
Deferred inflows - related to pension	(201,592)	
Other post-employment liability	(2,779,366)	
Deferred outflows - related to OPEB	274,816	
Deferred inflows - related to OPEB	(284,476)	
Deferred outflow - sales tax	(312,383)	
		(138,395,796)
Net position of governmental activities		$327,850,040

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2019

	General	General Obligation	Capital Projects Streets	Capital Projects Recreation Development	Infrastructure Maintenance Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes, penalties, and interest	$ 59,609,169	$ 9,273,550	$ -	$ -	$ 6,239,625	$ 18,704,579	$ 93,826,923
Licenses, fees, and permits	2,759,730	-	-	-	-	325,035	3,084,765
Intergovernmental	378,122	-	-	-	-	-	378,122
Charges for services	4,133,678	-	-	-	-	667,412	4,801,090
Fines and forfeitures	1,172,442	-	-	-	-	335,011	1,507,453
Investment earnings	2,093,564	42,945	233,903	318,628	563,747	1,043,383	4,296,170
Contributions	-	-	-	-	-	45,773	45,773
Miscellaneous	425,665	-	306	3,265	-	51,102	480,338
Total revenues	70,572,370	9,316,495	234,209	321,893	6,803,372	21,172,295	108,420,634
EXPENDITURES							
Current:							
General government	11,091,815	-	-	-	-	-	11,091,815
Public safety	24,654,314	-	-	-	-	3,784,167	28,438,481
Public works	7,902,189	-	-	-	3,149,334	277,115	11,328,638
Culture and recreation	11,748,378	-	-	-	-	2,228,482	13,976,860
Debt service:							
Principal retirement	-	6,670,000	-	-	-	750,000	7,420,000
Interest and fiscal charges	-	2,674,425	-	-	-	1,816,245	4,490,670
Capital outlay:							
General government	424,464	-	-	-	-	743,785	1,168,249
Public works	319,904	-	2,527,796	10,020,129	5,536,682	36,166	18,440,677
Public safety	228,884	-	-	-	-	3,053,723	3,282,607
Culture and recreation	712,124	-	-	32,910	-	3,197,767	3,942,801
Total expenditures	57,082,072	9,344,425	2,527,796	10,053,039	8,686,016	15,887,450	103,580,798
over/ (under) expenditures	13,490,298	(27,930)	(2,293,587)	(9,731,146)	(1,882,644)	5,284,845	4,839,836
OTHER FINANCING SOURCES (USES)							
Transfers in	3,360,000	-	-	-	3,255,000	479,740	7,094,740
Transfers out	(4,537,816)	-	-	-	-	(3,912,212)	(8,450,028)
Proceeds from sales of capital assets	53,224	-	-	-	-	28,730	81,954
Total other financing sources (uses)	(1,124,592)	-	-	-	3,255,000	(3,403,742)	(1,273,334)
Net change in fund balances	12,365,706	(27,930)	(2,293,587)	(9,731,146)	1,372,356	1,881,103	3,566,502
Fund balances - October 1	63,554,796	991,703	10,693,531	17,040,875	20,190,713	42,814,883	155,286,501
Fund balances - September 30	$ 75,920,502	$ 963,773	$ 8,399,944	$ 7,309,729	$ 21,563,069	$ 44,695,986	$ 158,853,003

The accompanying notes to financial statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities
For the Year Ended September 30, 2019

Net change in fund balances - total governmental funds		$ 3,566,502
Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	26,834,334	
Depreciation	(15,119,888)	
		11,714,446
The net effect of various miscellaneous transactions involving capital assets (i.e. sales and donations) is to increase net assets.		
Donation of infrastructure	334,725	
		334,725
The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. This amount is the net effect of these differences in the treatment of general obligation bonds and related items.		
Bond principal retirement	7,420,000	
Amortization of bond premiums / discounts	502,119	
Amortization of deferred charges on refundings	(142,534)	
		7,779,585
Accrued interest expense on long-term debt is reported in the government-wide statement of activities, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. Change in accrued interest.		(17,691)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds.		424,904
In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for this item is measured by the amount of financial resources used (essentially, the amounts actually paid).		
Compensated absences	(141,866)	
Pension	(2,419,447)	
Other post-employment benefits	(148,734)	
		(2,710,047)
Internal service funds are used by management to account for the costs of health claims. The net income of internal service funds is reported with governmental activities.		3,338,967
Change in net position of governmental activities		$ 24,431,391

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	General Fund			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes, penalties, and interest	$ 56,302,643	$ 59,503,940	$ 59,609,169	$ 105,229
Licenses, fees, and permits	1,925,750	2,607,753	2,759,730	151,977
Intergovernmental	-	507,031	378,122	(128,909)
Charges for services	4,110,750	4,137,762	4,133,678	(4,084)
Fines and forfeitures	1,102,000	1,202,000	1,172,442	(29,558)
Investment earnings	452,500	1,802,500	2,093,564	291,064
Miscellaneous	265,000	412,266	425,665	13,399
Total revenues	64,158,643	70,173,252	70,572,370	399,118
EXPENDITURES				
Current:				
General government	12,677,752	13,043,775	11,091,815	1,951,960
Public safety	28,825,027	26,203,736	24,654,314	1,549,422
Culture and recreation	12,269,540	12,638,475	11,748,378	890,097
Public works	9,188,099	10,001,240	7,902,189	2,099,051
Total current	62,960,418	61,887,226	55,396,696	6,490,530
Capital outlay:				
General government	80,000	474,318	424,464	49,854
Public safety	547,000	703,385	228,884	474,501
Culture and recreation	786,000	1,039,300	712,124	327,176
Public works	575,500	694,701	319,904	374,797
Total capital outlay	1,988,500	2,911,704	1,685,376	1,226,328
Total expenditures	64,948,918	64,798,930	57,082,072	7,716,858
Excess (deficiency) of revenues over expenditures	(790,275)	5,374,322	13,490,298	8,115,976
OTHER FINANCING SOURCES (USES)				
Transfers in	2,804,953	3,360,000	3,360,000	-
Transfers out	(4,390,463)	(4,870,203)	(4,537,816)	332,387
Proceeds from sale of capital assets	-	53,224	53,224	-
Total other financing sources (uses)	(1,585,510)	(1,456,979)	(1,124,592)	332,387
Net change in fund balance	(2,375,785)	3,917,343	12,365,706	8,448,363
Fund balance - October 1	63,554,796	63,554,796	63,554,796	-
Fund balance - September 30	$ 61,179,011	$ 67,472,139	$ 75,920,502	$ 8,448,363

The accompanying notes to financial statements are an integral part of this statement.

Infrastructure Maintenance Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Infrastructure Maintenance Fund			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes, penalties, and interest	$ 5,407,500	$ 6,134,074	$ 6,239,625	$ 105,551
Investment earnings	100,000	400,000	563,747	163,747
Total revenues	5,507,500	6,534,074	6,803,372	269,298
EXPENDITURES				
Current:				
Public works	15,627,070	19,373,553	3,149,334	16,224,219
Total current	15,627,070	19,373,553	3,149,334	16,224,219
Capital outlay:				
Public works	-	14,854	5,536,682	(5,521,828)
Total capital outlay	-	14,854	5,536,682	(5,521,828)
Total expenditures	15,627,070	19,388,407	8,686,016	10,702,391
Excess (deficiency) of revenues over expenditures	(10,119,570)	(12,854,333)	(1,882,644)	10,971,689
OTHER FINANCING SOURCES				
Transfers in	3,575,000	3,255,000	3,255,000	-
Total other financing sources	3,575,000	3,255,000	3,255,000	-
Net change in fund balance	(6,544,570)	(9,599,333)	1,372,356	10,971,689
Fund balance - beginning	20,190,713	20,190,713	20,190,713	-
Fund balance - ending	$ 13,646,143	$ 10,591,380	$ 21,563,069	$ 10,971,689

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

Statement of Net Position
Proprietary Funds
September 30, 2019

	Business-type Activities	Governmental Activities
	Total Enterprise Funds	Internal Service Funds
ASSETS		
Current assets:		
Cash	$ 1,589,697	$ 2,414,389
Investments	18,126,194	10,029,751
Receivables, net of allowance for uncollectibles of $249,915		
Accounts receivable	3,481,053	20,447
Interest receivable	45,619	47,629
Other receivable	425,160	-
Inventory	406,233	-
Prepaid items	3,923	-
Total current assets	24,077,879	12,512,216
Noncurrent assets:		
Cash - restricted	411,528	-
Investments - restricted	571,325	-
Capital assets	53,551,326	-
Total noncurrent assets	54,534,179	-
Total assets	78,612,058	12,512,216
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pension	476,636	-
Deferred outflows-related to other post-employment benefits	14,465	-
Total deferred outflows of resources	491,101	-
Total assets and deferred outflows of resources	$ 79,103,159	$ 12,512,216
LIABILITIES		
Current liabilities:		
Claims liability	-	510,680
Accounts payable	1,928,045	7,384
Accrued liabilities	21,006	-
Accrued interest	73,462	-
Retainage payable	653,218	-
Bonds payable current	627,179	-
Compensated absences	56,722	-
Total current liabilities	3,359,632	518,064
Noncurrent liabilities:		
Payable from restricted assets	551,288	-
Bonds payable noncurrent	10,631,336	-
Net pension liability	1,186,622	-
Other post-employment liability	146,283	-
Compensated absences	28,705	-
Total noncurrent liabilities	12,544,234	-
Total liabilities	15,903,866	518,064
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pension	9,058	-
Deferred inflows-related to other post-employment benefits	14,973	-
Total deferred inflows of resources	24,031	-
NET POSITION		
Net investment in capital assets	45,831,979	-
Unrestricted	17,343,283	11,994,152
Total net position	$ 63,175,262	$ 11,994,152
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund	289,317	
Net position of business-type activities	$ 63,464,579	

The accompanying notes to financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2019

	Business-type Activities	Governmental Activities
	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES		
Water and sewer sales	$ 18,090,956	$ -
Water and sewer connection fees	29,610	-
City and employee contributions	-	6,396,091
Miscellaneous	1,046,052	-
Total operating revenues	19,166,618	6,396,091
OPERATING EXPENSES		
Purchase of water	6,246,967	-
Purchase of sewer treatment	3,692,905	-
Salaries and wages	1,804,077	-
Supplies and services	3,414,995	-
Claims	-	3,734,041
Contractual services and charges	-	951,644
Depreciation	2,852,173	-
Total operating expenses	18,011,117	4,685,685
Operating income	1,155,501	1,710,406
NONOPERATING REVENUES (EXPENSES)		
Investment earnings	657,490	250,646
Interest expense and fiscal charges	(390,028)	-
Gain on sale of capital assets	3,516	-
Total nonoperating revenues	270,978	250,646
Income before contributions and transfers	1,426,479	1,961,052
Capital contributions	131,415	-
Impact and availabilty fees	319,728	-
Transfers in	-	1,464,328
Transfers out	(109,040)	-
Change in net position	1,768,582	3,425,380
Total net position - beginning	61,406,680	8,568,772
Total net position - ending	$ 63,175,262	$ 11,994,152

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	86,413
Changes in net position of business-type activities	$ 1,854,995

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2019

	Business-type Activities - Enterprise Funds Water and Sewer	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 18,537,422	$ -
Cash received from City and employee contributions	-	6,474,312
Cash paid to suppliers	(14,090,543)	-
Cash paid to employees	(1,547,567)	-
Cash payments for claims	-	(3,735,396)
Cash payments for contractual services and charges	-	(948,588)
Cash payments for Wellness Program	-	(582)
Net cash provided by operating activities	2,899,312	1,789,746
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other funds	-	1,464,328
Transfers to other funds	(109,040)	-
Net cash provided (used) by noncapital financing activities	(109,040)	1,464,328
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(5,771,752)	-
Disposition of capital assets	3,516	-
Principal payments on long term obligations	(610,000)	-
Interest paid	(457,669)	-
Water and sewer impact fees collected	319,728	-
Net cash used by capital and related financing activities	(6,516,177)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturity of investments	19,723,546	9,053,264
Purchase of investments	(13,772,784)	(12,446,857)
Interest received	666,218	204,237
Net cash provided (used) by investing activities	6,616,980	(3,189,356)
Net increase in cash and cash equivalents	2,891,075	64,718
Balances - beginning of year	8,791,899	5,486,538
Balances - end of the year	$ 11,682,974	$ 5,551,256
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income	$ 1,155,501	$ 1,710,406
Changes in assets and liabilities:		
Depreciation	2,852,173	-
Provision for doubtful accounts	49,709	-
(Increase) decrease in receivables	(683,904)	78,221
Increase (decrease) in accounts payable and accrued liabilities	(607,761)	2,474
(Decrease) in unpaid claims	-	(1,355)
Decrease in prepaid expenses	170,821	-
(Increase) in inventory	(163,982)	-
(Increase) in deferred outflows	(463,831)	-
Increase in deposits	3,649	-
Increase in compensated absences	265	-
Increase in net pension liability	584,927	-
(Decrease) in OPEB liabiliy	(4,290)	-
Increase in deferred inflows	6,035	-
Net cash provided by operating activities	$ 2,899,312	$ 1,789,746
Noncash investing, capital and financing activities		
Capital asset contributions from developers	$ 131,415	$ -
Total noncash investing, capital and financing activities	$ 131,415	$ -
CASH RECONCILIATION		
Actual balances - end of year		
Cash	$ 1,589,697	$ 2,414,389
Restricted cash	411,528	-
Investments (TexPool, TexStar, and TexasClass only)	9,681,749	3,136,867
Total cash and investments - end of year	$ 11,682,974	$ 5,551,256

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

Statement of Fiduciary Net Position
September 30, 2019

	Private-Purpose Trust Fund	OPEB Trust Fund as of 12/31/18	Agency Fund
ASSETS			
Cash	$ 170,857	$ 224,632	$ 11,165
Investments	-	-	609,556
Accounts receivable	12,863	-	-
Interest receivable	-	-	30
Total assets	183,720	224,632	620,751
LIABILITIES			
Accounts payable	$ 425	$ -	$ -
Due to members	-	-	620,751
Deposits	183,295	-	-
Total liabilities	183,720	-	620,751
NET POSITION			
Held in trust	-	224,632	
Total net position restricted for OPEB	$ -	$ 224,632	

The accompanying notes to financial statements are an integral part of this statement.

CITY OF COPPELL, TEXAS

Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2019

	Private-Purpose Trust Fund	OPEB Trust Fund year ended 12/31/18
ADDITIONS		
Investment earnings	$ -	$ -
Total additions	-	-
DEDUCTIONS		
Investment losses	-	9,231
Interest and fiscal charges	-	1,370
Total deductions	-	10,601
Net additions (deductions)	-	(10,601)
Net Position -- beginning of the year	-	235,233
Net Position -- end of the year	$ -	$ 224,632

The accompanying notes to financial statements are an integral part of this statement.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Coppell, Texas (City) was incorporated in 1955 and adopted its present charter in 1986 under the provision of Act 279, P.A. 1909, as amended (Home Rule City Act). The charter was amended in August 2001. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: Public Safety - Police and Fire, Highways and Streets, Sanitation, Health and Social Services, Culture and Recreation, Public Improvements, Planning and Zoning and General Administrative Services.

The accounting policies of the City conform to accounting policies generally accepted in the United States of America (US GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below:

A. Reporting Entity

As required by US GAAP, these financial statements present the City and its component units, which are controlled by the elected officials of the City and for which the City is considered to be financially accountable. The "reporting entity" is the primary government and those component units for which the primary government is financially accountable. (Financial accountability is defined as the appointment of a voting majority of the component unit's board and the ability to either impose will by the primary government or the possibility that the component government will provide a benefit or impose a financial burden to the primary government.) A "blended component unit", although a legally separate entity, is in substance part of the City's operations and this unit is therefore combined with data of the City. A "discretely presented component unit" is presented in a separate column of the Government-wide Financial Statements to emphasize it is legally separate.

Blended Component Units

The Coppell Recreation Development Corporation (CRDC) was formed to plan, design and construct recreational facilities and improvements within the City using proceeds from a special 4(B) Sales Tax approved by the voters. The Corporation is organized exclusively to act on behalf of the City for financing, development and operation of recreation properties. The affairs of the Corporation are managed by a seven-member board of directors, which is appointed by the City Council. The annual corporate budget and issuance of debt must be approved by the City Council. Since the CRDC's Board of Directors is appointed by City Council, City management has operational responsibility for the CRDC, and the CRDC exclusively, or almost exclusively, benefits the City, the CRDC is considered a blended component unit and financial transactions are reflected in a special revenue fund, capital project fund and debt service fund. Separate financial statements for the CRDC are not available.

The Coppell Economic Development Foundation (CEDF) was formed to promote economic development and business opportunities within the City by developing capital assets that are owned by the City of Coppell using proceeds transferred from the City to the CEDF which are approved by Council. For example, the City owns historical buildings that the CEDF has relocated and revitalized for community use. Since the CEDF's Board of Directors is appointed by the City Council, its projects are intended to benefit the City, and

the City Council has ultimate authority and approval of its projects and funding, the CEDF is considered a blended component unit of the City and financial transactions are reflected in a special revenue fund. Separate financial statements for the CEDF are not available.

B. Implementation of New Accounting Principles

Management evaluated GASB Statement No. 83, *Certain Asset Retirement Obligations* and determined that it had was not applicable to the financial statements of the City as of September 30, 2019. The City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements,* during fiscal year 2019. Implementation resulted in no additional disclosures. No other GASB Statements were implemented during the fiscal year.

GASB Statement No. 83, *Certain Asset Retirement Obligations*, establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs), as well as additional disclosures of information about the AROs.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements,* improves the information that is disclosed in notes to government financial statements related to debt. It also clarifies which liabilities governments should include when disclosing information related to debt.

The City is currently analyzing the impact of implementing the following statements on future financial statements of the City as these statements are not yet effective.

GASB Statement No. 84, *Fiduciary Activities*. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. This Statement will become effective for the City in fiscal year 2020. Management is evaluating the effect of this Statement on the financial statements.

GASB Statement No. 87, *Leases*. This Statement will increase the usefulness of financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. This Statement will become effective for the City in fiscal year 2021. Management is evaluating the effect of this Statement on the financial statements.

GASB Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61.* This Statement will improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevancy of financial statement information for certain component units. This Statement will become effective for the City in fiscal year 2020. Management is evaluating the effect, if any, of this Statement on the financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*. This Statement will result in more relevant, reliable, and understandable information regarding conduit debt and improve the comparability of reporting across entities. This Statement will become effective in fiscal year 2021. Management does not expect this Statement to have any effect on the financial statements of the City.

C. Basis of Presentation

Government-wide

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. Government-wide financial statements do not include fiduciary funds. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The focus is either the City as a whole or major individual funds (within the fund financial statements).

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a functional category (Public Safety, Public Works, etc.) or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost of governmental and business-type activities (by function) is normally covered by general revenue (property, sales, franchise taxes, interest income, etc.).

Fund

Separate fund based financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The major governmental funds are the General Fund, General Obligation Debt Service Fund, Streets Capital Projects Fund, Recreation Development Capital Projects Fund and Infrastructure Maintenance Special Revenue Fund. The major enterprise fund is the Water and Sewer Fund. The non-major funds are combined in a separate column in the fund financial statements. The non-major funds are detailed in the combining section of the statements.

Internal service funds, which traditionally provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. Because the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental activities when presented in the government-wide financial statements. To the extent possible, the cost of these services is reflected in the appropriate functional activity (Public Safety, Public Works, etc.).

The City's fiduciary funds are presented in the fund financial statements. Since, by definition, these assets are being held for the benefit of a third party (other local governments, individuals, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements. The fiduciary funds of the City are a private-purpose trust, an other post-employment benefits trust, and an agency fund.

The government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category), and the component units. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Fiduciary funds are used to report assets held in a trustee or agency capacity for others. Trust funds employ the same economic resources measurement focus and the accrual basis of accounting as the government-wide financial statements and proprietary fund type. Agency funds have no measurement focus as these funds are custodial in nature and do not involve the measurement of results of operations. Thus, agency funds have only assets and liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual, that is, when they are both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period. Therefore, revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within sixty days of the end of the current fiscal period, and sales tax revenues to be available if they are collected within thirty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligation has matured and is due and payable shortly after year end.

The revenues susceptible to accrual are Ad valorem, franchise and sales tax revenues. Licenses and permits, charges for services, fines and forfeitures, contributions, and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Investment earnings are recorded as earned since they are measurable and available.

The City reports unavailable revenue in its governmental funds. Unavailable revenue arises when potential revenue does not meet the “available” criteria for recognition in the current period. Unearned revenue arises when the City receives resources before it has a legal claim to them such as when grant monies are received prior to the incidence of qualifying expenditures. Revenue is recognized in subsequent periods, when the “available” recognition criteria is met or when the City has a legal claim to the resources.

Business type activities and all proprietary funds are reported using the economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the City’s Water

and Sewer Fund are charges to customers for sales and services. Operating expenses for the enterprise fund and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major funds:

1. *Governmental Funds:* The focus of governmental fund measurement (in the fund financial statements) is financial position and changes in financial position (sources, uses, and balances of financial resources) rather than net income. The following is a description of the major governmental funds of the City:

    a. *General Fund* is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

    b. *General Obligation Debt Service Fund* is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the General Obligation Debt Service Fund is restricted exclusively for debt service expenditures.

    c. *Streets Capital Projects Fund* accounts for funds received and expended for the construction and renovation of thoroughfares, arterial streets and drainage improvements in the City. Funds are provided primarily through bond sales, paving assessments and interest earnings.

    d. *Recreation Development Capital Projects Fund* accounts for funds received and expended for construction and renovation of parks, trails, library, and other recreational projects. Funds are provided primarily through bond issuance and interest earnings.

    e. *Infrastructure Maintenance Special Revenue Fund* Accounts for revenues that are restricted for future maintenance of the City's infrastructure. Funds are provided through 1/4 of one percent sales tax revenue and interest earnings.

2. *Proprietary Funds:* The accounting objectives are the determination of operating income, changes in net position, financial position, and cash flows. The following is a description of the major proprietary fund of the City:

    Water and Sewer Fund accounts for the operation of the City's water and sewer utility. Activities of the Fund include administration, operation and maintenance of the water and sewer system and billing and collection activities. The Fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for revenue bonds and obligations under capital leases when due throughout the year. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the Fund.

The City additionally reports the following fund types:

1. An *Internal Service Fund* is a type of proprietary fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, generally on a cost reimbursement basis. One internal service fund reported by the City of Coppell is used to account for the self-funded health program provided by the City to its employees and their dependents on a subsidized cost basis. The other internal service fund reported by the City is used to accumulate funds and reimburse costs of capital replacement.

2. A *Permanent Fund* is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City. The permanent fund reported by the City of Coppell is used to account for the assets and earnings used to support the operations and maintenance of the Rolling Oaks Cemetery.

3. A *Private-Purpose Trust Fund* is a type of fiduciary fund used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The Private-Purpose Trust Fund reported by the City is used to account for preneed interment and memorial arrangements made through the Rolling Oaks Cemetery.

4. An *Other Employee Benefit Trust Fund* is a type of fiduciary fund used to report resources that are required to be held in trust for the members and beneficiaries of defined contribution plans, other postemployment benefit plans, or other employee benefit plans. The OPEB Trust Fund is used to report resources held in trust for the healthcare benefits of members.

5. *Agency Funds* are used to account for assets held by the City in an agency capacity for individuals, local law enforcement agencies or developers. The City has one Agency Fund. The Health Reimbursement Arrangement Fund is used to account for contributions and disbursements on behalf of members of the Health Reimbursement Arrangement.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations, is employed as an extension of formal budgetary integration in the General, Special Revenue, and Debt Service Funds.

F. Deposits and Investments

The City maintains a cash and investment pool for the purpose of increasing income through investment activities. Investments are recorded at fair value (based on quoted market prices), except for the positions in the government pools, TexPool, TexStar, and Texas Class. Fair value analysis is performed monthly and any significant losses are evaluated.

The Legislature for the State of Texas has enacted and regularly amends the Public Funds Investment Act ("Investment Act") that governs items such as investment strategies and policies, training for investment officers, quarterly reporting, and types of investments allowed. The City has developed an Investment Policy that is annually reviewed and approved through resolution by the City Council. This investment policy is in compliance with the Investment Act. Accordingly, the City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) obligations of state agencies, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent, and other obligations, the principal and interest of which are

unconditionally guaranteed or insured by the State of Texas, or the United States, or its instrumentalities; (4) Certificates of Deposit issued by state or national banks and credit unions domiciled in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or secured by obligations mentioned above; (5) fully collateralized direct repurchase agreements having a defined termination date secured by obligations of the United States or its agencies and instrumentalities; (6) no-load money market mutual funds, regulated by the Securities and Exchange Commission (SEC), with a dollar-weighted average stated maturity of 90 days or fewer, and includes in its investment objectives the maintenance of a stable net asset value of $1 for each share (7) no-load mutual funds that are registered with the SEC, having an average weighted maturity of less than two years and are invested or secured in obligations described above and the fund must maintain a rating of AAA or its equivalent by at least one nationally recognized rating firm. The City is not authorized by its investment policy to invest in banker's acceptances, "bond" mutual funds, collateralized mortgage obligations of any type, or commercial paper.

Investment activities are conducted through the depository bank. The City's safekeeping agent holds all securities in the City's name.

For the year ended September 30, 2019, the City invested in U.S. Agencies, TexPool, TexStar, and Texas CLASS. The City records all interest revenue related to investment activities in the respective funds.

TexPool, TexStar, and Texas CLASS are external investment pools that were created to conform to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. As local government investment funds, Texas CLASS, TexStar and TexPool seek to maintain stable net asset value of $1.00 per unit. TexPool, TexStar, and Texas CLASS use amortized cost to value portfolio assets and follow the criteria for GASB Statement No. 79 for use of amortized cost.

The State Comptroller of Public Accounts (the Comptroller) is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company ("Trust Company"), which is authorized to operate TexPool. Pursuant to the TexPool participation agreement, administrative and investment services to TexPool are provided by Federated Investors. The Comptroller maintains oversight of the services provided by TexPool. The TexPool Advisory Board composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool, acts as advisor on TexPool Investment Policy.

J.P. Morgan Investment Management Inc. (JPMIM) and First Southwest, a Division of Hilltop Securities (FirstSouthwest) serve as co-administrators for TexStar under an agreement with the TexStar Board of Directors (the "Board"). The Board manages the business and affairs of TexStar in accordance with its bylaws.

Public Trust Advisors, LLC is the Program Administrator of Texas CLASS, and Wells Fargo Bank Texas, N.A. is Custodian. It is supervised by a seven-member Board of Trustees who are elected by the participants at its annual meeting. The Board supervises the Trust and its affairs and acts as the liaison between the participants, the custodian, and the program administrator. It also has an appointed five-member advisory board to provide advice about investment policy and strategy.

G. Cash and Cash Equivalents

Cash includes cash on hand, demand deposits, and escrow cash with fiscal agent. For purposes of the Statement of Cash Flows, the City also considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents; this includes investments in TexPool, TexStar, and Texas CLASS. All cash and investments in TexPool, TexStar, and Texas CLASS of the proprietary funds are pooled with the City's pooled cash and investments and are therefore considered cash equivalents.

H. Unbilled Services Receivable

Utility services revenue is recorded when earned. Customers are billed monthly. The estimated value of services provided, but unbilled at year-end, has been included in the accompanying financial statements.

I. Inventory and Prepaid Items

Inventory is valued at cost using the first in, first out method. Inventory in the Water and Sewer Fund consists of expendable supplies held for future consumption or capitalization. The cost is recorded as an expense in the period that inventory items are consumed.

Prepaid items are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year and are accounted for using the consumption method. A non-spendable fund balance for prepaid items is recognized in the governmental funds financial statements to signify that a portion of fund balance is not available for other subsequent expenditures according to GASB Statement No. 54.

J. Restricted Assets

Restricted cash and investments on the Proprietary Statement of Net Position are restricted in the Water and Sewer Fund for customer deposits and the repayment of outstanding bonds.

K. Interfund Transactions and Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (the current portion of interfund loans) or "advances to/from other funds" (the non-current portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All legally authorized transfers are appropriately treated as transfers and are included in the results of operations of both governmental and proprietary funds. Nonrecurring or nonroutine transfers of equity between funds - for example, contribution of capital assets to a proprietary fund or transfers of residual balances of discontinued funds to other funds - are accounted for as transfers.

Salaries, wages and related payroll costs of personnel who perform administrative services for the Water and Sewer Fund and Recreation Development Corporation are paid through the General Fund. The City has recorded expenses for these administrative costs in the Water and Sewer Fund and Recreation Development Corporation Special Revenue Fund and recognized corresponding revenue in the General Fund.

L. Capital Assets

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed capital assets are recorded at acquisition cost at the time received. Capital assets are defined by the government as assets with an initial, individual cost of more than $10,000 for equipment and more than $15,000 for all other assets except for land, and an estimated useful life in excess of one year. Land is a capital asset without regard to value.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Capital Asset Classification	Useful Life in Years
Building and Improvements	50
Water and Sewer System	40
Vehicles, Machinery and Equipment	3 to 7
Furniture and fixtures	5
Drainage improvements	40
Streets	25
Parks	50

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has reported the deferred charge on refunding as a deferred outflow of resources in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources related to the net pension liability are reported and amortized according to GASB Statement No. 68. Deferred outflows of resources related to the other post-employment benefits liabilities are reported and amortized according to GASB Statement No. 75.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has reported pension-related items and OPEB-related items as deferred inflows of resources in the government-wide statement of net position. Deferred inflows of resources related to the net pension liability are amortized according to GASB Statement No. 68, and deferred inflows of resources related to the other post-employment benefits liabilities are amortized according to GASB Statement No. 75.

N. Compensated Absences

City employees are granted vacation and sick leave in varying amounts. Upon termination, an employee is reimbursed for accumulated vacation. Accumulated vacation is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

O. Other Post-Employment Benefits

The City provides post-employment healthcare benefits to all employees who retire from the City. All employees who are vested in the City's pension plan, Texas Municipal Retirement System, are eligible for these benefits with 20 years or more of service, regardless of age, or at age 60 and above. Coverage is also available to dependents and/or surviving spouses of retirees. Retirees are responsible for paying the full premium for healthcare benefits as the City does not directly subsidize retiree premiums. (See Note 13).

P. Property Tax

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. The property taxes attach as an enforceable lien on property as of January 1. Appraised values are established by the central appraisal districts at 100% of estimated market value and certified by the Appraisal Review Board. The assessed value for the tax roll on January 1, 2018, upon which the original fiscal year 2019 levy was based, was $7,590,756,781. Subsequent adjustments increased this value to $7,597,797,791.

Taxes are due October 1 and become delinquent after the following January 31. Penalties and interest are charged at 7**%** on delinquent taxes beginning February 1 and increase each month to 18% on July 1. Property taxes at the fund level are recorded as receivables and unavailable revenues at the time the tax levy is billed. Current year revenues recognized are those ad valorem taxes collected within the current period or soon enough thereafter to pay current liabilities, generally sixty (60) days after year-end. Current tax collections for the year ended September 30, 2019, were 99.56% of the tax levy.

The statutes of the State of Texas do not prescribe a legal debt limit. However, Article XI, Section 5 of the Texas Constitution applicable to cities with a population of more than 5,000 limits the ad valorem tax rate to $2.50 per $100 assessed valuation. For the year ended September 30, 2019, the City had a tax margin of $1.9305 per $100 assessed valuation based upon the maximum rates prescribed by law.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every three years; however, reviews of appraised values may be conducted more frequently. The City may challenge appraised values established by the appraisal district through various appeals, and if necessary, legal action. Under this system, the City sets tax rates on City property. However, if the no-new revenue rate (previously known as effective tax rate), excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, generates property tax revenue that exceeds the previous year by more than 3.5%, the City is required to hold an automatic election to obtain voter approval of the adopted tax rate.

Q. Tax Incentives

The City enters into economic development agreements authorized under Chapter 312 of the Texas Tax Code and Chapter 380 of the Texas Local Government Code which abate or rebate property and/or sales taxes. These agreements are designed to stimulate economic activity, redevelopment, community improvement, and provide a return on investment for the community. Economic development agreements are considered on a case by case basis and generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the agreements.

Chapter 312 of the Texas Tax Code allows the City to negotiate abatement agreements with applicants. These abatement agreements authorize the appraisal districts to reduce the taxable value of the

taxpayer's property by a percentage specified in the agreement, and the taxpayer pays taxes on the lower value during the term of the agreement. Compliance is evaluated annually. The reduction in revenue for property taxes abated for the fiscal year ending September 30, 2019 totaled $1,203,525.

Chapter 380 of the Texas Local Government Code allows the City to provide grants for the purpose of promoting local economic development. These grants are based on a percentage of property and/or sales tax received by the City. The reduction in revenue due to property tax and sales taxes rebated or accrued for rebate applicable to the fiscal year ending September 30, 2019 totaled $148,436 and $3,718,117 respectively.

R. Federal and State Grants

Federal grants consisted of reimbursements of $362,514 for the Staffing for Adequate Fire and Emergency Response Grants (SAFER) and State grants consisted of an Interlibrary Loan Lending Reimbursement in the amount of $1,206. These two grants were recorded in the General Fund. Grant revenues received for specific purposes are accounted for in a special revenue fud or a capital project fund.

S. Long-Term Debt

General Obligation Bonds issued for general government capital projects that are to be repaid from tax revenues of the City are recorded in the government-wide Statement of Net Position. Revenue bonds issued for Proprietary Fund assets that are to be repaid by the Proprietary Fund are recorded in the Proprietary Fund.

Bond premiums and discounts are deferred and amortized over the life of the related debt issues in the government-wide financial statements and the Proprietary Fund. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expended when incurred. In the governmental fund financial statements, bond premiums, discounts, and debt issuance costs incurred are expended when incurred.

T. Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt used for the acquisition, construction or improvements of those assets, net of debt related to any unspent proceeds.

U. Fund Balance

Stabilization Arrangement

The City Charter, as amended November 1995, created a stabilization arrangement of not less than ten percent of the proposed expenditures for the major operating funds. The major operating fund of the City is the General Fund. The City Charter may only be changed through an election, and therefore, the stabilization amount may not be spent without an election. The stabilization arrangement amount of $6,864,856 is classified as committed fund balance in the General Fund.

Minimum Fund Balance Policy

It is the desire of the City to maintain adequate fund balance in the General Fund for liquidity and in anticipation of economic downturns or natural disasters. In addition to the stabilization arrangement

established through the City Charter, the City Council has adopted a funding policy to maintain a fund balance in the General Fund of ten percent of the next year's budgeted expenditures plus 60 days of expenditures, which is estimated to be 15 percent of the next year's budgeted expenditures. If fund balance falls below the minimum target level because it has been used, essentially as a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a two-year period. The stabilization arrangement and the funding policy create a minimum fund balance of 25 percent of the next year's budgeted expenditures.

V. Retirement Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

W. Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

(2) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data

The City Charter contains the following requirements, which are adhered to by the City Council, regarding preparation of the annual budget:

• The City Manager, between 60 and 90 days prior to October 1st of each fiscal year, shall submit to the City Council a proposed budget. Such budget shall provide a complete financial plan for the fiscal year.

• The City Manager submits the proposed budget to the City Council by August 5th of each year. City Management shall fix the time and place of a public hearing on the budget and shall cause to be published in the official newspaper of the City of Coppell, a notice of the hearing setting forth the time and place thereof at least eleven days before the date of such hearing.

• The budget shall be finally adopted no later than 15 days prior to the beginning of the fiscal year and should the City Council fail to so adopt a budget, the then existing budget together with its tax-levying ordinance and its appropriation ordinance, shall be deemed adopted for the ensuing fiscal year.

The City Council approves annual appropriations for operations and interfund transfers for the general fund, debt service funds, special revenue funds, and the permanent fund. The City Manager has the authority to transfer unexpended balances between departmental budgets within appropriated funds. The City Council, however, must approve any increase in fund appropriations. The legal level of budgetary control is the fund level. During the year, appropriations are adjusted as a result of re-estimates by the departments. For budgetary purposes, unencumbered appropriations lapse at fiscal

year-end. (See Encumbrances, discussed previously, regarding encumbered appropriations.)

The Budgetary Comparison Schedules present a comparison of budgetary data to actual results of operations for the General Fund. The same basis of accounting, accounting principles generally accepted in the United States of America (GAAP), is used for both budgetary purposes and actual results.

B. Supplemental Appropriations

The City Council made several supplemental appropriations throughout the year. Supplemental appropriations totaled ($3,077,698) in the General Fund, $9,712,215 in the Special Revenue Funds, and ($2,009,930) in the Enterprise Fund for 2019. Included in the General Fund supplemental appropriation was funding to cover encumbrance carryovers, sales tax revenues, interest earnings, services for the changes in the ERP replacement project, and use of the public education fees collected. The Special Revenue Funds supplemental appropriations included funding to cover encumbrance carryovers, sales tax revenues, municipal court software, costs associated with the ongoing construction and initial staffing requirements of the Arts Center, CRDC-approved projects, infrastructure maintenance, discontinuation of the red light program, and an enterprise-wide video recording and management platform for public safety. The Enterprise Fund supplemental appropriation included funding to cover encumbrance carryovers, a settlement from Dallas Water Utilities regarding Sabine River Authority, the annual reconciliation of services with Trinity River Authority, installation of a water line, and decreases in projected revenues due to weather and no rate increase.

C. Fund Deficits

No funds had fund deficits.

D. Excess of Expenditures over Appropriations

No funds had expenditures in excess of appropriations.

E. Bond Requirements

The management of the City believes that it and its component units have complied with all significant bond requirements and restrictions as of September 30, 2019.

(3) DEPOSITS AND INVESTMENTS

Deposits – The City maintained the following deposit balances at September 30, 2019:

	Primary Government	
Financial Institution	Bank Balance	Book Balance
Frost Bank	$5,687,139	$5,581,375
Petty Cash	-	6,737
	$5,687,139	$5,588,112

Investments – The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The City's investments in U.S. Treasury Notes are classified in Level 1 of the fair value hierarchy which are valued using prices quoted in active markets for identical securities. The City's investments in U.S. Agency securities are classified in Level 2 of the fair value hierarchy which are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The City has no Level 3 investments

which are valued using significant unobservable inputs.

As of September 30, 2019, the City had the following investments:

	Primary Government			
Investments by fair value level	**September 30, 2019**	**Fair Value Level 1**	**Fair Value Level 2**	**Weighted Average Maturity (in days)**
Treasury Notes	$ 13,930,836	$ 13,930,836	$ -	220
Federal Home Loan Bank Notes	72,036,379		72,036,379	177
Federal National Mortgage Association	13,383,030		13,383,030	182
Total investments by fair value level	$ 99,350,245	$ 13,930,836	$ 85,419,409	
Portfolio Weighted Average Maturity				184
Total Investments at NAV/amortized cost				
TexPool	$ 39,789,371			34
TexSTAR	36,842,772			22
Texas CLASS	15,742,074			50
Total investments at NAV/amortized cost	92,374,217			
Total Investments	$ 191,724,462			

Credit Risk – Investments. The City's investment policy requires that joint investment pools maintain a continuous rating no lower than AAA or AAA-M by at least one nationally recognized rating agency and that obligations of states, agencies, cities, or other political subdivisions of any state be rated no less than A or an equivalent rating by at least one nationally recognized rating agency. The City's investment policy has no other restrictions relating to credit ratings that would limit its investment options. As of September 30, 2019, Moody's has rated investments in FHLB and long-term senior debt of FNMA as Aaa, and Standard & Poor's has rated investments in TexPool, TexSTAR, and Texas CLASS as AAA-m.

Custodial Credit Risk – Deposits. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy follows state statutes, which requires that all deposits in financial institutions be fully collateralized or insured. For investments, custodial credit risk is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that all investments held by outside parties for safekeeping be held in the name of the City. The City was not exposed to any custodial credit risk at September 30, 2019.

Interest Rate Risk – Investments. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to one year or less under normal market conditions, and the maximum final stated maturity of any investment shall not exceed five years. Investments in TexPool, TexSTAR, and Texas CLASS are exempted from SEC registration and the requirements of Rule 2a-7 pertaining to registered money market funds; however, consistent with Rule 2a-7, they seek to maintain stable net asset value of $1.00 per unit and are not subject to interest rate risk.

Concentration of Credit Risk – Investments. The City's investment policy states that investments in local government investment pools shall be limited to fifty percent (50%) of the City's entire cash in bank and investment portfolio, with no more than twenty-five percent (25%) of the entire portfolio invested in any one authorized pool. In addition, investments in mutual funds shall be limited to 10% of the City's monthly fund balance, excluding bond proceeds and reserves and other funds held for debt service. At September 30, 2019, the City's investments are in United States Treasury Notes, Federal Home Loan Bank, Federal

National Mortgage Association, TexSTAR, TexPool, and Texas CLASS. These investments are 7%, 38%, 7%, 19%, 21% and 8% respectively, of the City's total investments.

(4) CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019 is summarized below:

Primary Government:

Governmental activities	Balance October 1, 2018	Additions	Transfers	Retirements	Balance September 30, 2019
Capital assets not being depreciated:					
Land	$ 40,104,882	$ -	$ -	$ -	$ 40,104,882
Construction in Progress	7,091,744	22,299,985	(812,271)	-	28,579,458
Total capital assets, not being depreciated	47,196,626	22,299,985	(812,271)	-	68,684,340
Capital assets being depreciated:					
Building & Improvements	77,660,479	2,071,049	194,724	-	79,926,252
Parks & Improvements	69,268,515	350,843	445,895	-	70,065,253
Streets & Improvemens	284,052,307	409,297	158,146	-	284,619,750
Vehicles, Machinery & Equipment	49,785,915	2,037,885	13,506	(278,198)	51,559,108
Total capital assets, being depreciated	480,767,216	4,869,074	812,271	(278,198)	486,170,363
Less accumulated depreciation for:					
Building & Improvements	(17,294,612)	(1,666,606)	-	-	(18,961,218)
Parks & Improvements	(13,240,424)	(1,384,157)	-	-	(14,624,581)
Streets & Improvemens	(178,942,621)	(7,782,256)	-	-	(186,724,877)
Vehicles, Machinery & Equipment	(40,844,512)	(4,286,869)	-	278,198	(44,853,183)
Total accumulated depreciation	(250,322,169)	(15,119,888)	-	278,198	(265,163,859)
Total capital assets being depreciated, net	230,445,047	(10,250,814)	812,271	-	221,006,504
Governmental activities capital assets, net	$ 277,641,673	$ 12,049,171	$ -	$ -	$ 289,690,844

Business-type Activities- Water and Sewer Fund	Balance October 1, 2018	Additions	Transfers	Retirements	Balance September 30, 2019
Capital assets not being depreciated:					
Land	$ 844,572	$ -	$ -	$ -	$ 844,572
Construction in Progress	2,795,526	4,961,335	(1,017,620)	-	6,739,241
Total capital assets, not being depreciated	3,640,098	4,961,335	(1,017,620)	-	7,583,813
Capital assets being depreciated:					
Water & Sewer System	100,596,336	154,733	1,017,620	-	101,768,689
Buildings & Improvements	1,411,465	23,259	-	-	1,434,724
Vehicles, Machinery & Equipment	4,047,919	190,014	-	(45,325)	4,192,608
Total capital assets, being depreciated	106,055,720	368,006	1,017,620	(45,325)	107,396,021
Less accumulated depreciation for:					
Water & Sewer System	(55,605,364)	(2,436,787)	-	-	(58,042,151)
Buildings & Improvements	(449,292)	(28,228)	-	-	(477,520)
Vehicles, Machinery & Equipment	(2,567,004)	(387,158)	-	45,325	(2,908,837)
Total accumulated depreciation	(58,621,660)	(2,852,173)	-	45,325	(61,428,508)
Total capital assets being depreciated, net	47,434,060	(2,484,167)	1,017,620	-	45,967,513
Business-type activities capital assets, net	$ 51,074,158	$ 2,477,168	$ -	$ -	$ 53,551,326

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 928,504
Public Safety	2,828,588
Public Works	8,549,631
Culture and Recreation	2,813,165
Total depreciation expense – governmental activities	$15,119,888
Business-type activities:	
Water and Sewer	$ 2,852,173
Total depreciation expense – business-type activities	$ 2,852,173

(5) LONG-TERM DEBT AND LIBILITIES

General Obligation Debt

General obligation debt provides funds for the acquisition and construction of major capital equipment, facilities and infrastructure. The general obligation debt consists of general obligation bonds, notes and

certificates of obligation that are serial debt collateralized by the full faith and credit of the City, and payable from property taxes and other revenues. General obligation bonds require the City to compute, at the time other property taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) funds to pay interest and principal at maturity. The debt matures annually in varying amounts through 2038, and interest is payable semi-annually.

Governmental Activities

A summary of activity of the general obligation debt reported in governmental activities for the year ended September 30, 2019 is as follows:

Outstanding - October 1, 2018	$ 89,180,000
Retirements	(7,160,000)
Premium	4,896,738
Outstanding - September 30, 2019	$ 86,916,738

General obligation debt at September 30, 2019, is comprised of the following issues:

Bonds	Interest Rate %	Issue Date	Maturity Date	Issued Amount	Outstanding September 30, 2019
GO Refunding Bonds	2.93	2009	2020	$ 4,725,000	$ 95,000
Certificate of Obligation	2.000-4.250	2011	2031	8,830,000	5,975,000
GO Refunding Bonds	2.000-4.250	2011	2031	12,510,000	5,290,000
GO Refunding Bonds	3.000-5.000	2013	2024	7,660,000	4,275,000
Certificate of Obligation	3.000-5.000	2013	2033	9,095,000	7,185,000
GO Refunding Bonds	1.000-2.000	2014	2020	6,560,000	480,000
GO Refunding Bonds	2.000-4.000	2015	2028	18,675,000	15,350,000
GO Refunding Bonds	2.000-3.000	2016	2027	4,405,000	3,435,000
Certificate of Obligation	2.000-4.000	2016	2036	11,800,000	9,420,000
Certificate of Obligation	3.250-5.000	2018	2038	16,705,000	16,155,000
Certificate of Obligation	3.250-5.000	2018	2038	14,850,000	14,360,000
					$ 82,020,000

Aggregate maturities of the general long-term debt (principal and interest) for the years subsequent to 2019 are as follows:

Fiscal Year	Principal Requirements	Interest Requirements	Total Requirements
2020	$ 6,575,000	$ 3,143,879	$ 9,718,879
2021	6,085,000	2,939,937	9,024,937
2022	6,215,000	2,715,962	8,930,962
2023	5,980,000	2,466,662	8,446,662
2024	6,140,000	2,211,762	8,351,762
2025-2029	24,170,000	7,719,185	31,889,185
2030-2034	16,800,000	3,393,432	20,193,432
2035-2038	10,055,000	700,175	10,755,175
	$ 82,020,000	$ 25,290,994	$ 107,310,994

Proceeds of general obligation bonds are recorded in the Capital Projects Funds and are restricted to the use for which they were approved in the bond elections. Certificates of obligation and note proceeds are recorded in the appropriate fund to account for the use of the funds for which the debt was issued. The City Charter expressly prohibits the use of bond proceeds to fund operating expenditures. The City currently has no authorized but unissued general obligation debt.

The City intends to retire all its governmental activities general obligation debt, plus interest, from ad valorem taxes and other current revenues.

Water and Sewer Fund

A summary of Water and Sewer general obligation bond activity for the year ended September 30, 2019 is as follows:

Outstanding -October 1, 2018	$ 10,895,000
Issued	-
Retirements	(610,000)
Premium	973,515
Outstanding -September 30, 2019	$ 11,258,515

Water & Sewer bonds payable at September 30, 2019 is comprised of the following issue:

Bonds	Interest Rate %	Issue Date	Maturity Date	Issued Amount	Outstanding September 30, 2019
Water & Sewer Certificate of Obligation Bonds	3.25-5.00	2018	2038	10,850,000	10,285,000
					$ 10,285,000

Aggregate maturities of the Water and Sewer GO Refunding bonds (principal and interest) for the years subsequent to September 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	$ 560,000	$ 459,550	$ 1,019,550
2021	565,000	431,425	996,425
2022	575,000	402,925	977,925
2023	585,000	373,925	958,925
2024	590,000	344,550	934,550
2025-2029	3,100,000	1,266,500	4,366,500
2030-2034	2,990,000	507,600	3,497,600
2035-2038	1,320,000	98,475	1,418,475
	$ 10,285,000	$ 3,884,950	$ 14,169,950

Sales Tax Bonds

The Sales Tax Revenue Bonds are payable from the gross proceeds of the 1/2 of 1% Sales and Use Tax (Section 4B) levied for the benefit of the Coppell Recreation Development Corporation.

A summary of Sales Tax Revenue Bond activity for the year ended September 30, 2019 is as follows:

Outstanding -October 1, 2018	$28,595,000
Retirements	(260,000)
Premiums	2,095,071
Outstanding -September 30, 2019	$30,430,071

Sales Tax Revenue Bonds payable at September 30, 2019 is comprised of the following issue:

Bonds	Interest Rate %	Issue Date	Maturity Date	Issued Amount	Outstanding September 30, 2019
Sales Tax Revenue Bonds	3.25 - 5.00	2014	2038	$ 31,730,000	$ 28,335,000

Debt service requirements of the Sales Tax Revenue Bonds (principal and interest) for the years subsequent to September 30, 2019 are as follows:

Fiscal Year	Principal	Interest	Total
2020	$ 1,035,000	$ 1,207,719	$ 2,242,719
2021	1,085,000	1,155,969	2,240,969
2022	1,140,000	1,101,718	2,241,718
2023	1,200,000	1,044,719	2,244,719
2024	1,260,000	984,719	2,244,719
2025 - 2029	7,295,000	3,914,844	11,209,844
2030 - 2034	9,005,000	2,209,881	11,214,881
2035 - 2038	6,315,000	519,800	6,834,800
	$ 28,335,000	$ 12,139,369	$ 40,474,369

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	$ 89,180,000	$ -	$ (7,160,000)	$ 82,020,000	$ 6,575,000
Sales tax bonds	28,595,000	-	(260,000)	28,335,000	1,035,000
Deferred amounts:					
Premiums	7,493,928	-	(502,119)	6,991,809	490,261
Total bonds payable	125,268,928	-	(7,922,119)	117,346,809	8,100,261
Compensated absences	3,100,930	2,118,999	(1,977,133)	3,242,796	1,111,791
Net pension liability	13,391,226	13,018,023	-	26,409,249	-
Other post-employment benefits obligation	2,860,888	56,712	(138,234)	2,779,366	-
Total governmental activities	144,621,972	15,193,734	(10,037,486)	149,778,220	9,212,052
Business-type Activities:					
Bonds payable:					
General obligation bonds	10,850,000	-	(565,000)	10,285,000	560,000
Refunding bonds	45,000	-	(45,000)	-	-
Premiums	1,040,694	-	(67,179)	973,515	67,179
Total bonds payable	11,935,694	-	(677,179)	11,258,515	627,179
Compensated absences	85,162	58,571	(58,306)	85,427	56,722
Net pension liability	601,695	584,927	-	1,186,622	-
Other post-employment benefits obligation	150,573	2,985	(7,275)	146,283	-
Total business-type acivities	12,773,124	646,483	(742,760)	12,676,847	683,901
Total government	$ 157,395,096	$ 15,840,217	$ (10,780,246)	$ 162,455,067	$ 9,895,953

Within the governmental activities, compensated absences, net pension liability, and other post-employment benefits liability are generally liquidated by the General Fund.

(6) COMPENSATED ABSENCES

Vacation leave is earned in varying amounts up to a maximum of twenty-four (24) days for employees with 19 or more years of service. Unused vacation leave is carried forward from one year to the next, up to a maximum of forty-eight (48) days, depending on years of service. As of September 30, 2019, the amount expected to be due within one year for Governmental Activities is $1,111,791. The amount expected to be due within one year for Business-type Activities is $56,722.

A summary of the activity for the year is as follows:

	Business-type Activities	Governmental Activities	Total
Balance – Beginning of year	$ 85,162	$ 3,100,930	$ 3,186,092
Additions	58,571	2,118,999	2,177,570
Reductions	(58,306)	(1,977,133)	(2,035,439)
Balance – End of Year	$ 85,427	$ 3,242,796	$ 3,328,223

(7) FUND BALANCE FLOW ASSUMPTIONS

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

When both restricted and unrestricted resources are available for use in governmental activities or proprietary funds, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

(8) FUND BALANCES

According to GASB Statement No. 54, the fund balance is classified depending on the relative strength of the spending constraints placed on the purposes for which resources can be used as follows:

Nonspendable fund balance- amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted fund balance- amounts constrained to specific purposes externally imposed by creditors (such as through debt covenants), grantor and contributors, or laws, or regulations of other governments, or through constitutional provisions, or by enabling legislation.

Committed fund balance- amounts that can only be used for specific purposes, pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the

limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance-amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council has by resolution authorized the Finance Director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance-amounts that represent fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In other governmental funds, it may be necessary to report a negative residual balance as unassigned.

Fund Balances	General	General Obligation	Capital Projects Streets	Capital Projects Recreation Development	Infrastructure Maintenance Fund	Other Governmental Funds	Total Governmental Funds
	Fund Balances						
Nonspendable:							
Prepaid items	$ 160,376	$ -	$ -	$ -	$ -	$ -	$ 160,376
Permanent fund - Perpetual Care Fund	-	-	-	-	-	596,433	596,433
Restricted for:							
General government							
Public educational government channel	524,156	-	-	-	-	-	524,156
Public education about solid waste	23,232	-	-	-	-	-	23,232
Public Safety							
Emergency 911	808,441	-	-	-	-	-	808,441
Fire	-	-	-	-	-	23,328	23,328
Police	-	-	-	-	-	172,728	172,728
Animal shelter	-	-	-	-	-	2,551	2,551
Child safety programs	-	-	-	-	-	102,630	102,630
Crime prevention programs and services	-	-	-	-	-	10,103,771	10,103,771
Court security	-	-	-	-	-	337,126	337,126
Traffic and signal enforcement / improvements	-	-	-	-	-	654,944	654,944
Juvenile case manager	-	-	-	-	-	302,785	302,785
Court technology	-	-	-	-	-	86,157	86,157
Judicial efficiency	-	-	-	-	-	17,007	17,007
Culture and recreation facilities, trails, drainage, and streetscapes	8,691,480	-	-	-	-	-	8,691,480
Recycling	-	-	-	-	-	67,128	67,128
Community garden / farmer's market	-	-	-	-	-	1,583	1,583
Library	-	-	-	-	-	26,383	26,383
Parks	-	-	-	-	-	35,505	35,505
Art Center	-	-	-	-	-	34,565	34,565
Tennis Center	-	-	-	-	-	1,670	1,670
Senior and Community Center	-	-	-	-	-	21,433	21,433
Living Well wellness incentive	-	-	-	-	-	105	105
Promotion of tourism and events	-	-	-	-	-	185,961	185,961
facilities, trails, drainage, and streetscapes	-	-	-	-	-	13,299,143	13,299,143
Economic development	-	-	-	-	-	9,621	9,621
Capital projects	-		8,399,944	7,309,729	-	17,034,432	32,744,105
Debt service	-	963,773	-	-	-	101,966	1,065,739
Committed for:							
City charter required reserves	6,864,856	-	-	-	-	-	6,864,856
Culture and recreation facilities, trails, drainage, and streetscapes	71,898	-	-	-	-	-	71,898
Parks	-	-	-	-	-	356,089	356,089
Rolling Oaks Cemetery	-	-	-	-	-	320,109	320,109
Tree preservation	-	-	-	-	-	179,545	179,545
Economic development	966,355	-	-	-	-	17,192	983,547
Public works							
Projects	358,858	-	-	-	21,563,069	-	21,921,927
Storm water control development	-	-	-	-	-	604,096	604,096
Assigned for:							
General overnment							
Volunteer coordination	50,000	-	-	-	-	-	50,000
Culture and recreation							
Outreach vehicle	100,000	-	-	-	-	-	100,000
Economic development							
Economic development program	250,000	-	-	-	-	-	250,000
Capital projects	950,000	-	-	-	-	-	950,000
Unassigned	56,100,850	-	-	-	-	-	56,100,850
	$ 75,920,502	$ 963,773	$ 8,399,944	$ 7,309,729	$21,563,069	$ 44,695,986	$ 158,853,003

(9) INTERFUND BALANCES AND TRANSFERS

During a fiscal year, interfund payables and receivables arise. The following were outstanding as of September 30, 2019:

Receivable Fund	Payable Fund	Amount	Purpose
Nonmajor governmental	Capital Projects Streets	$ 25,000	Short-term funding of deficit cash
Nonmajor governmental	Nonmajor governmental	3,000	Short-term funding of deficit cash
		$ 28,000	

Transfers made during the year were as follows:

Transfers In	Transfers Out	Amount	Purpose
General Fund	Nonmajor governmental	$ 3,360,000	Maintenance and operations of parks and facilities with 4B sales tax proceeds
Special revenue - Infrastructure Maintenance	General Fund	3,255,000	Annual maintenance of City facilities, streets and traffic control
Nonmajor governmental	General Fund	479,740	Asset management software and initial phase of project
Internal service	General Fund	803,076	Fund future vehicle and equipment replacements
Internal service	Nonmajor governmental	552,212	Fund future vehicle and equipment replacements
Internal service	Water-Sewer enterprise fund	109,040	Fund future vehicle and equipment replacements
	Total	$ 8,559,068	

(10) DEFINED BENEFIT PENSION PLAN

A. Plan Description

The City participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an entity created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS

issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at *www.tmrs.com*.

All eligible employees of the City are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Members can retire at ages 60 and above with five or more years of service or with 20 years of service regardless of age. A member is vested after five years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

Employees covered by benefit terms.

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	231
Inactive employees entitled to but not yet receiving benefits	224
Active employees	379
	834

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 15.55% and 15.53% in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2019 were $4,656,502, and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2018, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions:

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the Gender-distinct RP2000 Combined Mortality Table with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the Gender-distinct RP2000 Disabled Retiree Mortality Tables are used, with slight adjustments.

Actuarial assumptions used in the December 31, 2018 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.30%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.39%
Real Return	10.0%	3.78%
Real Estate	10.0%	4.44%
Absolute Return	10.0%	3.56%
Private Equity	5.0%	7.75%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability	**Increases (Decreases)**		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a) - (b)**
Balance at 12/31/2017	$ 154,528,208	$ 140,535,287	$ 13,992,921
Changes for the year:			
Service cost	5,147,391	-	5,147,391
Interest	10,429,907	-	10,429,907
Difference between expected and actual experience	170,311	-	170,311
Contributions - employer	-	4,440,159	(4,440,159)
Contributions - employee	-	2,001,935	(2,001,935)
Net investment income	-	(4,211,826)	4,211,826
Benefit payments, including refunds of employee contributions	(5,169,533)	(5,169,533)	-
Administrative expense	-	(81,360)	81,360
Other changes	-	(4,249)	4,249
Net changes	10,578,076	(3,024,874)	13,602,950
Balance at 12/31/2018	$ 165,106,284	$ 137,510,413	$ 27,595,871

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.75%) or one percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 53,195,101	$ 27,595,871	$ (6,814,572)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at *www.tmrs.com*.

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2019, the City recognized pension expense of $7,190,963.

At September 30, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 975,081	$ 92,183
Changes in actuarial assumptions	-	118,467
Difference between projected and actual investment earnings	7,252,074	-
Contributions subsequent to the measurement date	3,536,908	-
Total	$ 11,764,063	$ 210,650

The City reported $3,536,908 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2020	$ 2,799,365
2021	1,242,442
2022	1,214,849
2023	2,759,849
2024	-
Total	$ 8,016,505

(11) DEFERRED COMPENSATION PLANS

The City offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

The City funds all amounts of compensation deferred under the plan, at the direction of the covered employee, through investments in either a Roth IRA or fixed and variable annuity contracts underwritten by International City Manager Association (ICMA) Retirement Corporation and American Fund.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries.

The City has no liability for losses under the plan, only provides limited administrative duties, and therefore, the deferred compensation plans are not included in the financial statements of the City.

(12) RISK FINANCING

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There have been no reductions in coverages during the year or settlements in excess of coverages in the past three years.

The City established an internal service fund to account for its self-funded employee health program in November 2000. The City pays most of the premium for each eligible employee and each employee pays a portion of the employee premium and dependent coverage premium, if elected. The premiums paid by the City are primarily an expenditure of the general fund and an expense of the Water and Sewer Enterprise Fund. All premiums are paid into the self-funded health internal service fund to pay claims, claim reserves and administrative costs of the program as well as costs associated with the City's wellness program.

The self-funded employee health program is responsible for medical claims up to an aggregate stop loss of $125,000 per covered individual. Coverage from a private insurance company is maintained for covered losses in excess of the stop loss amount. An independent claims administrator performs all claims handling procedures.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Claims payable include all known claims and an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are estimated by considering the effects of inflation, recent claim settlement trends, including frequency and amount of pay-outs, and other economic and social factors. The self-funded program was implemented during the year ended September 30, 2001. Changes in the balance of the claims liabilities for the year ended September 30, 2019 are as follows:

	2019	2018
Claims payable, beginning of year	$ 512,035	$ 831,036
Claims incurred	3,710,801	2,621,635
Changes in estimates	23,240	323,782
Claim payments	(3,735,396)	(3,264,418)
Claims payable, end of year	$ 510,680	$ 512,035

(13) OTHER POST-EMPLOYMENT BENEFITS

Health Care Benefits

A. Plan Description

In addition to the pension benefits described in Note 10, the City provides post-employment health care benefits in accordance with City policy. Administration of the City of Coppell Retiree Health Care Plan trust is through the Public Agency Retirement Services (PARS) with an IRC Section 115 Irrevocable Exclusive Benefit Trust. Trustee for the plan is USBank. Ultimate authority for investment decisions and

actions necessary to maintain the City's participation in the program resides with the City Manager, appointed as Plan Administrator through a 2014 resolution of the City Council, or his successor or designee. Investment strategy is currently through the City's selection of the PARS Moderate: Highmark Index PLUS (passive) from High Mark Capital Management, selected August 27, 2014. Stated goals are for growth of principal and income. At December 31, 2018, the annual one-year rate of return was −3.95%.

All employees who are vested in the City's pension plan, Texas Municipal Retirement System, are eligible for these benefits with 20 years or more of service, regardless of age, or at age 60 and above. Coverage is also available to dependents or surviving spouses of retirees. This healthcare plan provides medical, dental and hospitalization coverage (until eligible for Medicare) to eligible retirees, their spouses and dependents through the city's self-funded health program, which covers both active and retired members. At December 31, 2018, the City had 159 retirees and an additional 59 active employees that are eligible to retire. The City implicitly subsidizes medical and hospitalization costs incurred by retirees and their dependents through the use of a single, blended premium rate. Recommendations for plan benefits are presented to City Council for their approval during the annual budget process. The City's plan qualifies as a single-employer, defined benefit plan administered through a trust. Financial statements for the plan are presented as a statement of fiduciary net position as of December 31, 2018, the end of the plan's reporting period, and a statement of changes in fiduciary net position.

COBRA Benefits

Under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), the City makes healthcare benefits available to eligible former employees and eligible dependents. The federal government outlines certain requirements for this coverage. The premium plus a two percent administration fee is paid in full by the insured on or before the tenth (10^{th}) day of the month for the actual month covered. This program is offered for 18 months after the employee's termination date. The City makes no contribution under this program. There were no participants in the program as of September 30, 2019.

B. Benefits Provided

The terms of the health benefits provided to retirees are the same as those provided to employees in the self-funded health program.

Employees Covered by Benefit Terms

At the December 31, 2018 measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	6
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	371
Total Plan Members	377

C. Contributions

Current retirees contribute to the self-funded health program the blended premium for active and retired participants. Retiree contribution rates for fiscal year 2019 ranged from $943 to $2,415 per month depending on coverage levels selected. In fiscal year 2019, the total member contributions were $114,944. The City contribution for retirees consists of pay-as-you-go claims in excess of the retiree

contributions. The City claims incurred by retirees were $27,727; therefore, the City's contribution to the plan for fiscal year 2019 was zero as retiree contributions covered retiree expense. The City made no additional contributions to the plan assets held in trust.

D. Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018.

Actuarial Assumptions

The City's total OPEB liability in the December 31, 2018 valuation was determined using the following actuarial assumptions:

	Actuarial Assumptions
Actuarial Cost Method	Individual Entry-Age Normal
Discount Rate	3.71%
Inflation Rate	2.50%
Salary Increases	3.50% to 10.50%, including inflation
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the TMRS
Mortality	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Participation Rates	Rates of 25% post-55 or disabled, and 0% pre-55, with 100% assumed to discontinue when eligible for Medicare.
Healthcare cost trend ratess	7.50% Initial, 4.25% Ultimate

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018. The discount rate is equal to the municipal bond rate because the City has not contributed to the OPEB trust since its initial contribution. The discount rate changed from 3.31% as of December 31, 2017 to 3.71% as of December 31, 2018.

Future results may differ from those anticipated in this valuation. Reasons include but are not limited to actual medical trend differing from expected, changes in the healthcare plan designs offered to active and retired members, and participant behavior differing from expected.

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at 12/31/2017	$ 2,241,202	$ 235,233	$ 2,005,969
Changes for the year:			
Service cost	115,068		115,068
Interest on the total OPEB liability	74,678		74,678
Difference between expected and actual experience	(132,925)		(132,925)
Changes of assumptions	(127,696)		(127,696)
Employer contributions		85,235	(85,235)
Net investment income		(9,231)	9,231
Benefit payments	(85,235)	(85,235)	-
Administrative Expense		(1,370)	1,370
Net changes	(156,110)	(10,601)	(145,509)
Ending balance	$ 2,085,092	$ 224,632	$ 1,860,460

Consistent with the requirements of GASB Statements No. 74 and No. 75, the employer contribution and benefit payment amounts include "amounts for OPEB as the benefits come due that will not be reimbursed to the employer using OPEB plan assets." The $85,235 in benefit payments was paid by the City using its own assets.

The benefit payments during the measurement period were determined by subtracting the actual retiree premium payments from an age-adjusted premium calculation, calculated using an age-adjustment factor of 1.845.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate:

The following presents the Plan's net OPEB liability, calculated using the discount rate of 3.71%, as well as what the Plan's net OPEB liability would be if it were calculated using a discount rate that is one percent lower (2.71%) or one percent higher (4.71%) than the current rate assumption:

	1% Decrease in Discount Rate (2.71%)	Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
Plan's Net OPEB Liability	$ 2,051,706	$ 1,860,460	$ 1,687,304

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate:

The following presents the Plan's net OPEB liability, calculated using the assumed trend rates as well as what the Plan's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percent lower or one percent higher than the current rate assumption:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Plan's Net OPEB Liability	$ 1,672,059	$ 1,860,460	$ 2,080,288

E. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2019, the City recognized OPEB expense of $161,819.

At September 30, 2019, the City reported deferred outflows of resources and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 8,738	$ 118,559
Changes in actuarial assumptions	77,255	113,895
Difference between projected and actual investment earnings	13,083	-
Contributions subsequent to the measurement date	74,520	-
Total	$ 173,596	$ 232,454

The City reported $74,520 as deferred outflows related to OPEB resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:	Net Deferred Outflows (Inflows)
2020	$ (14,051)
2021	(14,051)
2022	(14,052)
2023	(11,883)
2024	(16,780)
Thereafter	(62,561)
Total	$ (133,378)

Life Insurance Benefits

A. Plan Description

TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. It is considered to be a single-employer plan. The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1st of any year to be effective the following January 1st.

B. Benefits Provided

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (Calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

Employees Covered by Benefit Terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	156
Inactive employees entitled to but not yet receiving benefits	59
Active employees	379
	594

C. Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employee's entire careers.

The City's contributions to the TMRS SDBF for the year ended September 30, 2019 were $5,982, which equaled the required contributions.

D. Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The City's total OPEB liability in the December 31, 2018 valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Salary increases	3.5% to 10.5% including inflation
Discount rate	3.71%
Retirees' share of benefit-related costs	$0

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2018. All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68. Mortality rates for service retirees were based on the RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB. Mortality rates for disabled retirees were based on the RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a three year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2017	$ 1,005,492
Changes for the year:	
Service cost	51,303
Interest	34,037
Difference between expected and actual experience	59,862
Changes in assumptions or other inputs	(79,805)
Benefit payments	(5,700)
Net changes	59,697
Balance at 12/31/2018	$ 1,065,189

Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees. Changes in assumptions are a result of the change in municipal bond index rate from the previous year.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.71%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (2.71%) or one percentage-point higher (4.71%) than the current rate:

	1% Decrease in Discount Rate (2.71%)	Discount Rate (3.71%)	1% Increase in Discount Rate (4.71%)
City's Total OPEB liability	$ 1,282,194	$ 1,065,189	$ 897,994

E. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2019, the City recognized OPEB expense of $96,531.

At September 30, 2019, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 50,253	$ -
Changes in actuarial assumptions	60,879	66,995
Contributions subsequent to the measurement date	4,553	-
Total	$ 115,685	$ 66,995

The City reported $4,553 as deferred outflows related to OPEB resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:	
2020	$ 11,191
2021	11,191
2022	11,191
2023	11,191
2024	110
Thereafter	(737)
Total	$ 44,137

(14) JOINT VENTURE AND JOINTLY GOVERNED ORGANIZATIONS

The North Texas Emergency Communications Center, Inc. (NTECC) is a joint venture between the Town of Addison, City of Carrollton, City of Coppell and City of Farmers Branch (the "Cities") formed during fiscal year 2014 to establish and operate a joint public safety dispatch center. The affairs of the NTECC are managed by a four-person board of directors representing each of the four participating Cities.

The Cities are responsible for funding capital and operating costs of the NTECC in the proportions stated in the interlocal agreement. The City of Coppell has an equity interest in the NTECC of $1,061,257 at September 30, 2019, and it is reported as an investment in joint venture in the governmental activities on the government-wide Statement of Net Position. The financial statements for NTECC may be obtained from the Department of Finance at P.O. Box 9478, Coppell, Texas 75048-9478, call (972) 304-3690, or e-mail at finance@coppelltx.gov.

The Cities have also entered into an interlocal agreement to jointly procure a public safety radio system. While this agreement did not include the formation of a separate legal joint venture entity, it is possible that this system may be consolidated into the NTECC in the future. The Cities are responsible for funding a portion of the radio system in the proportions stated in the inter-local agreement. The City of Coppell's portion of the system costs at September 30, 2019 of $1,347,234 is capitalized as equipment in the governmental activities on the government-wide Statement of Net Position.

Additionally, the Cities entered into the Joint Fire Training Center Interlocal Cooperation Agreement for the purpose of jointly designing, constructing, maintaining, operating, managing, and using a fire training facility on property owned by the City of Farmers Branch. This agreement did not include the formation of a separate legal joint venture entity, and the City of Coppell's portion of the shared capital costs at September 30, 2019 of $567,577 is capitalized as building and improvements in the governmental activities on the government-wide Statement of Net Position.

(15) COMMITMENTS AND CONTINGENCIES

The City has active construction projects as of September 30, 2019. The projects include street, park, drainage improvements, fire station, pump station and art center. The outstanding commitments under authorized construction contracts by project are as follows:

Project	Spent to-Date	Remaining Commitment
Andy Brown Park	$ 21,706,273	$ -
Life Safety Park	5,948,392	-
Bethel Rd/W Sandy Lake/Freeport	8,045,887	246,840
State Hwy 121/Freeport	1,413,033	-
Streetscape	4,807,034	73,940
Fire station	1,831,197	1,165,840
Smart Meters/Pump Station	7,844,438	541,678
Water Tower	1,023,559	49,059
Art Center	10,099,338	9,774,521
Various Capital Projects	45,181,835	4,835,671
Total all funds	$ 107,900,986	$ 16,687,549

Outstanding commitments at year end were $4,844,020 to be funded by the Streets Capital Project Fund, $9,848,460 to be funded by the Recreation Development Capital Projects Fund, $1,376,402 to be funded by other nonmajor governmental capital project funds, and $618,667 to be funded by the Enterprise Fund. These commitments were encumbered at year end and are re-appropriated and become part of the subsequent year's budget.

The City receives State and Federal Grants for specific purposes that are subject to review and audit by the Grantor Agency. Such audits could result in a request for reimbursement for expenditures disallowed under terms and conditions of the appropriate agencies. In the opinion of City management, such disallowances, if any, will not be significant.

CITY OF COPPELL, TEXAS

Required Supplemental Information
Texas Municipal Retirement System (TMRS)
Schedule of Changes in Net Pension Liability and Related Ratios
Last Five Measurement Years (Unaudited)

Measurement Year - December 31,	2018	2017	2016	2015	2014
Total pension liability					
Service cost	$ 5,147,391	$ 5,121,355	$ 4,795,907	$ 4,773,791	$ 4,360,178
Interest (on the total pension liability)	10,429,907	9,690,470	9,034,884	8,655,276	8,043,965
Difference between expected and actual experience	170,311	1,049,026	(143,547)	1,027,510	(416,347)
Changes of assumptions	-	-	-	(530,535)	-
Benefit payments, including refunds of employee contributions	(5,169,533)	(4,668,968)	(3,606,184)	(3,861,363)	(3,061,820)
Net change in total pension liability	10,578,076	11,191,883	10,081,060	10,064,679	8,925,976
Total pension liability - beginning	154,528,208	143,336,325	133,255,265	123,190,586	114,264,610
Total pension liability - ending (a)	$ 165,106,284	$ 154,528,208	$ 143,336,325	$ 133,255,265	$ 123,190,586
Plan fiduciary net position					
Contributions - employer	$ 4,440,159	$ 4,365,557	$ 3,973,656	$ 4,156,827	$ 3,937,618
Contributions - employee	2,001,935	1,975,726	1,849,941	1,904,241	1,763,756
Net investment income	(4,211,826)	16,920,562	7,592,873	162,416	5,816,895
Benefit payments, including refunds of employee contributions	(5,169,533)	(4,668,968)	(3,606,184)	(3,861,363)	(3,061,820)
Administrative expense	(81,360)	(87,653)	(85,724)	(98,915)	(60,721)
Other	(4,249)	(4,443)	(4,619)	(4,885)	(4,993)
Net change in plan fiduciary net position	(3,024,874)	18,500,781	9,719,943	2,258,321	8,390,735
Plan fiduciary net position - beginning	140,535,287	122,034,506	112,314,563	110,056,242	101,665,507
Plan fiduciary net position - ending (b)	137,510,413	140,535,287	122,034,506	112,314,563	110,056,242
Net pension liability (a) - (b)	$ 27,595,871	$ 13,992,921	$ 21,301,819	$ 20,940,702	$ 13,134,344
Plan fiduciary net position as a percentage of total pension liability	83.29%	90.94%	85.14%	84.29%	89.34%
Covered payroll	$ 28,501,610	$ 28,201,294	$ 26,235,817	$ 26,594,934	$ 24,996,845
Net pension liability as a percentage of covered payroll	96.82%	49.62%	81.19%	78.74%	52.54%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Required Supplemental Information
Texas Municipal Retirement System (TMRS)
Schedule of Pension Contributions
Last Five Fiscal Years (Unaudited)

	Fiscal Year 2019	2018	2017	2016	2015
Actuarially determined contribution	$ 4,656,502	$ 4,406,168	$ 4,291,973	$ 4,221,309	$ 4,068,349
Contribution in relation of the actuarially determined contribution	4,656,502	4,406,168	4,291,973	4,221,309	4,068,897
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ (548)
Covered payroll	$ 29,912,752	$ 28,367,042	$ 27,810,639	$ 27,430,532	$ 26,141,272
Contributions as a percentage of covered payroll	15.57%	15.53%	15.43%	15.39%	15.57%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	27 years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 - 2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Other Information: There were no benefit changes during the year.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Required Supplemental Information
City of Coppell Retiree Health Care Plan
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Two Measurement Years (Unaudited)

Measurement year ending December 31,	**2018**	**2017**
Total OPEB liability		
Service cost	**$** 115,068	**$** 99,460
Interest (on the total OPEB liability)	74,678	77,524
Difference between expected and actual experience	(132,925)	11,052
Changes of assumptions	(127,696)	97,715
Benefit payments, including refunds of employee contributions	(85,235)	(59,157)
Net change in total OPEB liability	(156,110)	226,594
Total OPEB liability - beginning	2,241,202	2,014,608
Total OPEB liability - ending (a)	$ 2,085,092	$ 2,241,202
Plan fiduciary net position		
Contributions - employer	$ 85,235	$ 59,157
OPEB plan net investment income	(9,231)	24,567
Benefit payments	(85,235)	(59,157)
OPEB Plan administrative expense	(1,370)	(1,299)
Net change in plan fiduciary net position	(10,601)	23,268
Plan fiduciary net position - beginning	235,233	211,965
Plan fiduciary net position - ending (b)	224,632	235,233
Net OPEB liability (a) - (b)	$ 1,860,460	$ 2,005,969
Plan fiduciary net position as a percentage of total OPEB liability	10.77%	10.50%
Covered payroll	$ 28,501,610	$ 28,201,294
Net OPEB liability as a percentage of covered payroll	6.53%	7.11%

Notes to Schedule:
Measurement year 2018 - Minor updates to the healthcare trend assumption.
Changes of assumptions reflect the effects of changes in the discount rate each period.
The following are the discount rates used in each period:

Measurement Year	Discount Rate
2018	3.71%
2017	3.31%
2016	3.81%

This schedule is intended to show information for ten years.
Information for additional years will be displayed as it becomes available.

CITY OF COPPELL, TEXAS

Required Supplemental Information
Texas Municipal Retirement System (TMRS)
Schedule of OPEB Contributions
Last Two Fiscal Years (Unaudited)

	Fiscal Year 2019	Fiscal Year 2018
Actuarially determined contribution	$ 5,982	$ 5,673
Contribution in relation to the actuarially determined contribution	5,982	5,673
Contribution deficiency (excess)	$ -	$ -
Covered payroll	$ 29,912,752	$ 28,367,042
Contributions as a percentage of covered payroll	0.02%	0.02%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Asset Valuation	No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.
Inflation	2.50%
Salary Increases	3.50% to 10.5% including inflation
Discount Rate	Fidelity Index's "20-Year Municipal GO AA Index" rate as of measurement date.
Retiree's share of benefit-related cost	$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits.
Mortality - service retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.
Mortality - disabled retirees	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% with a 3 year set-forward for both males and females. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

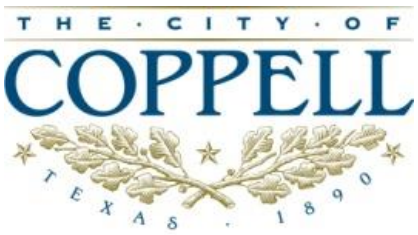
Other Information: The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Required Supplemental Information
Supplemental Death Benefits Fund
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Two Measurement Years (Unaudited)

Measurement Year - December 31,	**2018**	**2017**
Total OPEB liability		
Service cost	**$** 51,303	**$** 42,302
Interest	34,037	32,690
Changes of benefit terms		
Difference between expected and actual experience	59,862	-
Changes in assumptions or other inputs	(79,805)	89,663
Benefit payments	(5,700)	(5,640)
Net change in total OPEB liability	59,697	159,015
Total OPEB liability - beginning	1,005,492	846,477
Total OPEB liability - ending	$ 1,065,189	$ 1,005,492
Covered payroll	$ 28,501,610	$ 28,201,294
Total OPEB liability as a percentage of covered payroll	3.74%	3.57%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.


THE · CITY · OF
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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Donations Fund - To account for donations received by the City with expenditures restricted to use for the library, parks, economic development and fire department programs.

Parks Fund - To account for revenues that are restricted for park improvements.

Police Fund - To account for revenues restricted for special policing purposes.

Child Safety Fund - To account for revenues restricted for programs to enhance child safety.

Crime Prevention Fund – To account for revenue restricted for Crime Prevention programs which include the School Resource Officer Program, the Community Services Program and the Patrol Prevention Program.

Municipal Court Fund - To account for revenues that are restricted for Municipal Court security issues.

Red Light Enforcement Fund - To account for revenues that are restricted for traffic safety, pedestrian safety, public safety, intersection improvement, and traffic enforcement.

Juvenile Case Manager Fund - To account for revenues that are restricted for the necessary expenditures related to the position of Juvenile Case Manager.

Recreation Development Corporation #2 - To account for revenues which are restricted for the Coppell Recreation Development Corporation #2, a blended component unit of the City.

Court Technology Fund - To account for revenues that are restricted for financing the purchase of technological enhancements for the Municipal Court.

Tree Preservation Fund - To account for revenues that are restricted for tree preservation.

Judicial Efficiency Fund - To account for revenue restricted for uses that improve the efficiency of the administration of justice in the City.

Economic Development Foundation Fund - A blended component unit of the City of Coppell established for the purpose of promoting economic development and business opportunities within the City.

Drainage Utility District Fund - To account for revenues that are restricted for storm water control development.

Rolling Oaks Cemetery Fund – To account for revenues that are restricted for the administration of the cemetery.

Hotel Occupancy Tax Fund – To account for tax revenues collected on room rentals and restricted for the promotion of tourism and the convention and hotel industry.

Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources for and payment of principal, interest and other related costs on long-term debt.

Recreation Development Corporation Fund - To account for debt service activities relating to indebtedness of the Coppell Recreation Development Corporation, a blended component unit of the City.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources used for the acquisition and construction of capital facilities (other than those financed by proprietary funds).

Drainage Fund - To account for financing and construction of various drainage projects within the City.

Fire Fund - To account for financing and capital improvement of and for Fire department.

Cemetery Fund - To account for financing and capital improvement of and for Cemetery.

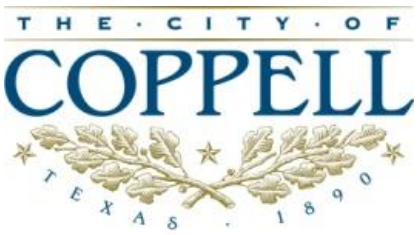
City Facilities Fund - To account for the financing and construction of City facilities.

City Funded Capital Improvement Project Fund - To account for the financing and construction of City funded capital improvement projects.

Permanent Fund

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used to support programs of the City.

Perpetual Care Fund – To account for the assets and earnings used to support the operation and maintenance of the Rolling Oaks Cemetery.


THE · CITY · OF
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CITY OF COPPELL, TEXAS

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Special Revenue				
	Donations	Parks	Police	Child Safety	Crime Prevention
ASSETS					
Cash	$ 44,633	$ 21,806	$ 14,761	$ 97,773	$ 820
Investments	180,238	341,783	180,389	-	9,762,174
Taxes receivable	-	-	-	-	983,504
Accounts receivable, net of receivable of $3,945	-	-	-	4,857	-
Interest receivable	62	-	62	-	26,804
Other receivable	-	-	-	-	-
Due from other funds	-	-	3,000	-	-
Total assets	224,933	363,589	198,212	102,630	10,773,302
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	$ 224,933	$ 363,589	$ 198,212	$ 102,630	$ 10,773,302
LIABILITIES					
Accounts payable	$ 1,009	$ 7,500	$ 25,536	$ -	$ 120,229
Accrued liabilities	-	-	-	-	28,385
Due to other funds	-	-	-	-	3,000
Retainage payable	-	-	-	-	-
Total liabilities	1,009	7,500	25,536	-	151,614
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	517,917
Total deferred inflow of resources	-	-	-	-	517,917
FUND BALANCES (DEFICITS)					
Nonspendable					
Restricted					
Culture and recreation	188,372	-	-	-	-
Public safety	25,931	-	172,676	102,630	10,103,771
Economic development	9,621	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Committed					
Culture and recreation	-	356,089	-	-	-
Economic development	-	-	-	-	-
Public works	-	-	-	-	-
Total fund balances	$ 223,924	$ 356,089	$ 172,676	$ 102,630	$ 10,103,771
Total liabilities, deferred inflows of resources, and fund balances	$ 224,933	$ 363,589	$ 198,212	$ 102,630	$ 10,773,302

	Special Revenue						
Municipal Court	Red Light Enforcement	Juvenile Case Manager	Recreation Development Corporation #2	Court Technology	Tree Preservation	Judicial Efficiency
$ 81,896	$ 28,602	$ 132,252	$ 44	$ 159,582	$ 45,599	$ 17,007
255,142	695,989	168,629	12,658,414	-	133,899	-
-	-	-	1,692,300	-	-	-
-	-	-	50	-	-	-
88	64	1,904	3,505	-	47	-
-	3,462	-	-	-	-	-
-	-	-	-	-	-	-
337,126	728,117	302,785	14,354,313	159,582	179,545	17,007
-	-	-	-	-	-	-
$ 337,126	$ 728,117	$ 302,785	$ 14,354,313	$ 159,582	$ 179,545	$ 17,007
$ -	$ 73,173	$ -	$ 93,328	$ 73,425	$ -	$ -
-	-	-	2,090	-	-	-
-	-	-	-	-	-	-
-	-	-	200,838	-	-	-
-	73,173	-	296,256	73,425	-	-
-	-	-	758,914	-	-	-
-	-	-	758,914	-	-	-
-	-	-	13,299,143	-	-	-
337,126	654,944	302,785	-	86,157	-	17,007
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	179,545	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 337,126	$ 654,944	$ 302,785	$ 13,299,143	$ 86,157	$ 179,545	$ 17,007
$ 337,126	$ 728,117	$ 302,785	$ 14,354,313	$ 159,582	$ 179,545	$ 17,007

Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Special Revenue				Debt Service
	Economic Development Foundation	Drainage Utility District	Rolling Oaks Cemetery	Hotel Occupancy Tax	Recreation Development Corporation
ASSETS					
Cash	$ 1,402	$ 15,110	$ 34	$ 42,581	$ 3,259
Investments	99,065	562,220	347,069	102,096	98,707
Taxes receivable	-	-	-	-	277,710
Accounts receivable	-	32,888	85,368	105,035	-
Interest receivable	-	128	908	518	-
Other receivable	-	-	2,132	-	-
Due from other funds	-	-	-	-	-
Total assets	100,467	610,346	435,511	250,230	379,676
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources	-	-	-	-	-
Total assets and deferred outflows of resources	$ 100,467	$ 610,346	$ 435,511	$ 250,230	$ 379,676
LIABILITIES					
Accounts payable	$ 83,275	$ 4,439	$ 25,388	$ 64,269	$ -
Accrued liabilities	-	1,811	3,958	-	-
Due to other funds	-	-	-	-	-
Retainage payable	-	-	-	-	-
Total liabilities	83,275	6,250	29,346	64,269	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	86,056	-	277,710
Total deferred inflow of resources	-	-	86,056	-	277,710
FUND BALANCES (DEFICITS)					
Nonspendable					
Restricted					
Culture and recreation	-	-	-	185,961	-
Public safety	-	-	-	-	-
Economic development	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	101,966
Committed					
Culture and recreation	-	-	320,109	-	-
Economic development	17,192	-	-	-	-
Public works	-	604,096	-	-	-
Total fund balances	$ 17,192	$ 604,096	$ 320,109	$ 185,961	$ 101,966
Total liabilities, deferred inflows of resources, and fund balances	$ 100,467	$ 610,346	$ 435,511	$ 250,230	$ 379,676

Capital Projects					Permanent	
Drainage	Fire	Cemetery	City Facilities	City Funded CIP	Perpetual Care	Total Nonmajor Governmental Funds
$ 30,482	$ 2,021	$ 337,720	$ 1,973	$ 103	$ 59,440	$ 1,138,900
-	8,635,832	5,844,169	928,034	2,026,158	535,723	43,555,730
-	-	-	-	-	-	2,953,514
-	-	-	-	-	-	228,198
-	31,813	28,173	-	-	1,270	95,346
-	-	-	-	-	-	5,594
25,000	-	-	-	-	-	28,000
55,482	8,669,666	6,210,062	930,007	2,026,261	596,433	48,005,282
-	-	-	-	-	-	-
$ 55,482	$ 8,669,666	$ 6,210,062	$ 930,007	$ 2,026,261	$ 596,433	$ 48,005,282
$ -	$ 544,196	$ 102,120	$ 10,649	$ 200,081	$ -	$ 1,428,617
-	-	-	-	-	-	36,244
-	-	-	-	-	-	3,000
-	-	-	-	-	-	200,838
-	544,196	102,120	10,649	200,081	-	1,668,699
-	-	-	-	-	-	1,640,597
-	-	-	-	-	-	1,640,597
					596,433	596,433
-	-	-	-	-	-	13,673,476
-	-	-	-	-	-	11,803,027
-	-	-	-	-	-	9,621
55,482	8,125,470	6,107,942	919,358	1,826,180	-	17,034,432
-	-	-	-	-	-	101,966
-	-	-	-	-	-	855,743
-	-	-	-	-	-	17,192
-	-	-	-	-	-	604,096
$ 55,482	$ 8,125,470	$ 6,107,942	$ 919,358	$ 1,826,180	$ 596,433	$ 44,695,986
$ 55,482	$ 8,669,666	$ 6,210,062	$ 930,007	$ 2,026,261	$ 596,433	$ 48,005,282

CITY OF COPPELL, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2019

	Special Revenue				
	Donations	Parks	Police	Child Safety	Crime Prevention
REVENUES					
Taxes, penalties, and interest	$ -	$ -	$ -	$ -	$ 6,177,932
Licenses, fees, and permits	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	17,663	43,589	-
Investment earnings	4,378	8,938	4,381	-	215,915
Contributions	14,553	-	31,220	-	-
Miscellaneous	-	-	-	-	-
Total revenues	18,931	8,938	53,264	43,589	6,393,847
EXPENDITURES					
Current:					
Public safety	7,651	-	97,255	10,675	3,532,016
Culture and recreation	8,873	13,300	-	-	-
Public works	-	-	-	-	-
Debt service:					
Principle Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	756,129
Culture and recreation	244	-	-	-	-
Public works	-	-	-	-	-
Total expenditures	16,768	13,300	97,255	10,675	4,288,145
Excess (deficiency) of revenues over expenditures	2,163	(4,362)	(43,991)	32,914	2,105,702
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(521,367)
Proceeds from sale of capital assets	-	-	-	-	28,730
Total other financing sources (uses)	-	-	-	-	(492,637)
Net change in fund balances	2,163	(4,362)	(43,991)	32,914	1,613,065
Fund balances - beginning	221,761	360,451	216,667	69,716	8,490,706
Fund balances - ending	$ 223,924	$ 356,089	$ 172,676	$ 102,630	$ 10,103,771

Special Revenue						
Municipal Court	Red Light Enforcement	Juvenile Case Manager	Recreation Development Corporation #2	Court Technology	Tree Preservation	Judicial Efficiency
$ -	$ -	$ -	$ 9,912,004	$ -	$ -	$ -
-	-	-	-	-	70,060	-
-	-	-	-	-	-	-
24,321	163,570	48,675	-	32,429	-	4,764
6,478	16,233	4,475	291,788	1,174	3,004	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
30,799	179,803	53,150	10,203,792	33,603	73,064	4,764
150	135,286	-	-	1,134	-	-
-	-	-	1,360,756	-	221	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	64,513	-	-	89,825	-	-
-	-	-	2,570,447	-	-	-
-	-	-	-	-	-	-
150	199,799	-	3,931,203	90,959	221	-
30,649	(19,996)	53,150	6,272,589	(57,356)	72,843	4,764
-	-	-	-	-	-	-
-	(30,845)	-	(3,360,000)	-	-	-
-	-	-	-	-	-	-
-	(30,845)	-	(3,360,000)	-	-	-
30,649	(50,841)	53,150	2,912,589	(57,356)	72,843	4,764
306,477	705,785	249,635	10,386,554	143,513	106,702	12,243
$ 337,126	$ 654,944	$ 302,785	$ 13,299,143	$ 86,157	$ 179,545	$ 17,007

CITY OF COPPELL, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2019

	Special Revenue				Debt Service
	Economic Development Foundation	Drainage Utility District	Rolling Oaks Cemetery	Hotel Occupancy Tax	Recreation Development Corporation
REVENUES					
Taxes, penalties, and interest	$ -	$ -	$ -	$ 47,397	$ 2,567,246
Licenses, fees, and permits	-	254,975	-	-	-
Charges for services	-	-	612,856	-	-
Fines and forfeitures	-	-	-	-	-
Investment earnings	2,275	14,223	10,431	2,566	10,385
Contributions	-	-	-	-	-
Miscellaneous	-	-	47,735	-	-
Total revenues	2,275	269,198	671,022	49,963	2,577,631
EXPENDITURES					
Current:					
Public safety	-	-	-	-	-
Culture and recreation	-	-	845,332	-	-
Public works	-	277,115	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	750,000
Capital outlay:					1,816,245
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Public works	-	-	-	-	-
Total expenditures	-	277,115	845,332	-	2,566,245
Excess (deficiency) of revenues over expenditures	2,275	(7,917)	(174,310)	49,963	11,386
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	2,275	(7,917)	(174,310)	49,963	11,386
Fund balances - beginning	14,917	612,013	494,419	135,998	90,580
Fund balances - ending	$ 17,192	$ 604,096	$ 320,109	$ 185,961	$ 101,966

Capital Projects					Permanent	
Drainage	Fire	Cemetery	City Facilities	City Funded CIP	Perpetual Care	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 18,704,579
-	-	-	-	-	-	325,035
-	-	-	-	-	54,556	667,412
-	-	-	-	-	-	335,011
-	221,549	160,536	21,025	33,509	10,120	1,043,383
-	-	-	-	-	-	45,773
-	2,040	1,327	-	-	-	51,102
-	223,589	161,863	21,025	33,509	64,676	21,172,295
-	-	-	-	-	-	3,784,167
-	-	-	-	-	-	2,228,482
-	-	-	-	-	-	277,115
-	-	-	-	-	-	-
-	-	-	-	-	-	750,000
						1,816,245
-	-	-	-	743,785	-	743,785
-	2,129,751	-	-	13,505	-	3,053,723
-	-	576,903	50,173	-	-	3,197,767
-	-	-	36,166	-	-	36,166
-	2,129,751	576,903	86,339	757,290	-	15,887,450
-	(1,906,162)	(415,040)	(65,314)	(723,781)	64,676	5,284,845
-	-	-	-	479,740	-	479,740
-	-	-	-	-	-	(3,912,212)
-	-	-	-	-	-	28,730
-	-	-	-	479,740	-	(3,403,742)
-	(1,906,162)	(415,040)	(65,314)	(244,041)	64,676	1,881,103
55,482	10,031,632	6,522,982	984,672	2,070,221	531,757	42,814,883
$ 55,482	$ 8,125,470	$ 6,107,942	$ 919,358	$ 1,826,180	$ 596,433	$ 44,695,986

Donations Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Donations			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ 500	$ 500	$ -	$ (500)
Investment earnings	500	500	4,378	3,878
Contributions	21,000	21,000	14,553	(6,447)
Total revenues	22,000	22,000	18,931	(3,069)
EXPENDITURES				
Current:				
Public safety	5,000	7,750	7,651	99
Culture and recreation	-	9,301	8,873	428
Total current	5,000	17,051	16,524	527
Capital outlay:				
Culture and recreation	-	290	244	46
Total capital outlay	-	290	244	46
Total expenditures	5,000	17,341	16,768	573
Excess (deficiency) of revenues over expenditures	17,000	4,659	2,163	(2,496)
Net change in fund balance	17,000	4,659	2,163	(2,496)
Fund balances - beginning	221,761	221,761	221,761	-
Fund balances - ending	$ 238,761	$ 226,420	$ 223,924	$ (2,496)

CITY OF COPPELL, TEXAS

Parks Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Parks			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment earnings	2,500	5,000	8,938	3,938
Total revenues	2,500	5,000	8,938	3,938
EXPENDITURES				
Current:				
Culture & Recreation	-	13,300	13,300	-
Total current	-	13,300	13,300	-
Capital outlay:				
Culture & Recreation	-	352,000	-	352,000
Total capital outlay	-	352,000	-	352,000
Total expenditures	-	365,300	13,300	352,000
Excess (deficiency) of revenues over expenditures	2,500	(360,300)	(4,362)	355,938
Net change in fund balance	2,500	(360,300)	(4,362)	355,938
Fund balance - beginning	360,451	360,451	360,451	-
Fund balance - ending	362,951	151	356,089	355,938

Police Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Police			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	$ 6,200	$ 14,945	$ 17,663	$ 2,718
Investment earnings	1,000	2,500	4,381	1,881
Contributions	15,000	28,000	31,220	3,220
Total revenues	22,200	45,445	53,264	7,819
EXPENDITURES				
Current:				
Public Safety	98,000	115,799	97,255	18,544
Total current	98,000	115,799	97,255	18,544
Total expenditures	98,000	115,799	97,255	18,544
Excess (deficiency) of revenues over expenditures	(75,800)	(70,354)	(43,991)	26,363
Net change in fund balance	(75,800)	(70,354)	(43,991)	26,363
Fund balance - beginning	216,667	216,667	216,667	-
Fund balance - ending	$ 140,867	$ 146,313	$ 172,676	$ 26,363

Child Safety Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Child Safety			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	$ 6,500	$ 40,000	$ 43,589	$ 3,589
Total revenues	6,500	40,000	43,589	3,589
EXPENDITURES				
Current:				
Public Safety	15,000	15,000	10,675	4,325
Total current	15,000	15,000	10,675	4,325
Total expenditures	15,000	15,000	10,675	4,325
Excess (deficiency) of revenues over expenditures	(8,500)	25,000	32,914	7,914
Net change in fund balance	(8,500)	25,000	32,914	7,914
Fund balances - beginning	69,716	69,716	69,716	-
Fund balances - ending	$ 61,216	$ 94,716	$ 102,630	$ 7,914

Crime Prevention Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Crime Prevention			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes, Penalties, and Interest	$ 5,355,000	$ 5,434,075	$ 6,177,932	$ 743,857
Investment earnings	100,000	150,000	215,915	65,915
Total revenues	5,455,000	5,584,075	6,393,847	809,772
EXPENDITURES				
Current:				
Public Safety	3,963,260	4,079,301	3,532,016	547,285
Total current	3,963,260	4,079,301	3,532,016	547,285
Capital outlay:				
Public Safety	220,500	885,336	756,129	129,207
Total capital outlay	220,500	885,336	756,129	129,207
Total expenditures	4,183,760	4,964,637	4,288,145	676,492
Excess (deficiency) of revenues over expenditures	1,271,240	619,438	2,105,702	1,486,264
OTHER FINANCING SOURCES (USES)				
Transfers out	(512,455)	(512,455)	(521,367)	(8,912)
Proceeds from Sale of capital assets	-	28,730	28,730	-
Total other financing sources (uses)	(512,455)	(483,725)	(492,637)	(8,912)
Net change in fund balance	758,785	135,713	1,613,065	1,477,352
Fund balances - beginning	8,490,706	8,490,706	8,490,706	-
Fund balances - ending	$ 9,249,491	$ 8,626,419	$ 10,103,771	$ 1,477,352

Municipal Court Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Municipal Court			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	$ 20,000	$ 24,000	$ 24,321	$ 321
Investment earnings	1,000	2,500	6,478	3,978
Total revenues	21,000	26,500	30,799	4,299
EXPENDITURES				
Current:				
Public Safety	5,200	5,200	150	5,050
Total current	5,200	5,200	150	5,050
Capital outlay:				
Total expenditures	5,200	5,200	150	5,050
Excess (deficiency) of revenues over expenditures	15,800	21,300	30,649	9,349
Net change in fund balance	15,800	21,300	30,649	9,349
Fund balances - beginning	306,477	306,477	306,477	-
Fund balances - ending	$ 322,277	$ 327,777	$ 337,126	$ 9,349

Red Light Enforcement Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Red Light Enforcement			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	$ 300,000	$ 165,000	$ 163,570	$ (1,430)
Investment earnings	5,000	14,000	16,233	2,233
Total revenues	305,000	179,000	179,803	803
EXPENDITURES				
Current:				
Public Safety	235,000	144,000	135,286	8,714
Total current	235,000	144,000	135,286	8,714
Capital outlay:				
Public Safety	-	684,625	64,513	620,112
Total capital outlay	-	684,625	64,513	620,112
Total expenditures	235,000	828,625	199,799	628,826
Excess (deficiency) of revenues over expenditures	70,000	(649,625)	(19,996)	629,629
OTHER FINANCING USES				
Transfers out	(30,845)	(30,845)	(30,845)	-
Total other financing sources uses	(30,845)	(30,845)	(30,845)	-
Net change in fund balance	39,155	(680,470)	(50,841)	629,629
Fund balances - beginning	705,785	705,785	705,785	-
Fund balances - ending	$ 744,940	$ 25,315	$ 654,944	$ 629,629

Juvenile Case Manager Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Juvenile Case Manager			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	$ 45,000	$ 47,000	$ 48,675	$ 1,675
Investment earnings	-	2,500	4,475	1,975
Total revenues	45,000	49,500	53,150	3,650
EXPENDITURES				
Current:				
Public Safety	5,000	5,000	-	5,000
Total current	5,000	5,000	-	5,000
Total expenditures	5,000	5,000	-	5,000
Excess (deficiency) of revenues over expenditures	40,000	44,500	53,150	8,650
Net change in fund balance	40,000	44,500	53,150	8,650
Fund balances - beginning	249,635	249,635	249,635	-
Fund balances - ending	$ 289,635	$ 294,135	$ 302,785	$ 8,650

Recreation Development Corporation #2 Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Recreation Development Corporation #2			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes, Penalties, and Interest	$ 8,014,152	$ 9,668,149	$ 9,912,004	$ 243,855
Investment earnings	100,000	225,000	291,788	66,788
Total revenues	8,114,152	9,893,149	10,203,792	310,643
EXPENDITURES				
Current:				
Culture & Recreation	897,900	2,048,261	1,360,755	687,506
Total current	897,900	2,048,261	1,360,755	687,506
Capital outlay:				
Culture & Recreation	3,400,000	8,148,800	2,570,448	5,578,352
Total capital outlay	3,400,000	8,148,800	2,570,448	5,578,352
Total expenditures	4,297,900	10,197,061	3,931,203	6,265,858
Excess (deficiency) of revenues over expenditures	3,816,252	(303,912)	6,272,589	6,576,501
OTHER FINANCING USES				
Transfers out	(2,804,953)	(3,360,000)	(3,360,000)	-
Total other financing uses	(2,804,953)	(3,360,000)	(3,360,000)	-
Net change in fund balance	1,011,299	(3,663,912)	2,912,589	6,576,501
Fund balances - beginning	10,386,554	10,386,554	10,386,554	-
Fund balances - ending	$ 11,397,853	$ 6,722,642	$ 13,299,143	$ 6,576,501

Court Technology Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Court Technology			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	$ 26,000	$ 30,000	$ 32,429	$ 2,429
Investment earnings	500	1,500	1,174	(326)
Total revenues	26,500	31,500	33,603	2,103
EXPENDITURES				
Public Safety	85,600	124,200	1,134	123,066
Total current	85,600	124,200	1,134	123,066
Capital outlay:				
Public Safety	-	179,200	89,825	89,375
Total capital outlay	-	179,200	89,825	89,375
Total expenditures	85,600	303,400	90,959	212,441
Excess (deficiency) of revenues over expenditures	(59,100)	(271,900)	(57,356)	214,544
Net change in fund balance	(59,100)	(271,900)	(57,356)	214,544
Fund balances - beginning	143,513	143,513	143,513	-
Fund balances - ending	$ 84,413	$ (128,387)	$ 86,157	$ 214,544

Tree Preservation Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Tree Preservation			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Licenses, Fees and Permits	$ -	$ 70,060	$ 70,060	$ -
Investment earnings	500	1,000	3,004	2,004
Total revenues	500	71,060	73,064	2,004
EXPENDITURES				
Current:				
Culture & Recreation	70,000	70,000	221	69,779
Total current	70,000	70,000	221	69,779
Total expenditures	70,000	70,000	221	69,779
Excess (deficiency) of revenues over expenditures	(69,500)	1,060	72,843	71,783
Net change in fund balance	(69,500)	1,060	72,843	71,783
Fund balances - beginning	106,702	106,702	106,702	-
Fund balances - ending	$ 37,202	$ 107,762	$ 179,545	$ 71,783

Judicial Efficiency Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Judicial Efficiency			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Fines and Forfeitures	$ 4,500	$ 4,500	$ 4,764	$ 264
Total revenues	4,500	4,500	4,764	264
EXPENDITURES				
Current:				
Public Safety	5,000	5,000	-	5,000
Total current	5,000	5,000	-	5,000
Capital outlay:				
Public Safety	-	13,400	-	13,400
Total capital outlay	-	13,400	-	13,400
Total expenditures	5,000	18,400	-	18,400
Excess (deficiency) of revenues over expenditures	(500)	(13,900)	4,764	18,664
Net change in fund balance	(500)	(13,900)	4,764	18,664
Fund balances - beginning	12,243	12,243	12,243	-
Fund balances - ending	$ 11,743	$ (1,657)	$ 17,007	$ 18,664

Coppell Economic Development Foundation Special revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Economic Development Foundation			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment earnings	$ -	$ -	$ 2,275	$ 2,275
Total revenues	-	-	2,275	2,275
EXPENDITURES				
Current	-	-	-	-
Capital outlay	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	2,275	2,275
Net change in fund balance	-	-	2,275	2,275
Fund balances - beginning	14,917	14,917	14,917	-
Fund balances - ending	$ 14,917	$ 14,917	$ 17,192	$ 2,275

CITY OF COPPELL, TEXAS

Drainage Utility District Special revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Drainage Utility District			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Licenses, Fees and Permits	$ 230,000	$ 255,000	$ 254,975	$ (25)
Investment earnings	5,000	10,000	14,223	4,223
Total revenues	235,000	265,000	269,198	4,198
EXPENDITURES				
Current:				
Public Works	316,689	369,567	277,115	92,452
Total current	316,689	369,567	277,115	92,452
Total expenditures	316,689	369,567	277,115	92,452
Excess (deficiency) of revenues over expenditures	(81,689)	(104,567)	(7,917)	96,650
Net change in fund balance	(81,689)	(104,567)	(7,917)	96,650
Fund balances - beginning	612,013	612,013	612,013	-
Fund balances - ending	$ 530,324	$ 507,446	$ 604,096	$ 96,650

Rolling Oaks Cemetery Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Rolling Oaks Cemetery			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services	$ 610,000	$ 640,000	$ 612,856	$ (27,144)
Investment earnings	1,000	10,000	10,431	431
Miscellaneous	46,667	46,667	47,735	1,068
Total revenues	657,667	696,667	671,022	(25,645)
EXPENDITURES				
Current:				
Culture & Recreation	832,221	871,221	845,332	25,889
Total current	832,221	871,221	845,332	25,889
Capital outlay:				
Total expenditures	832,221	871,221	845,332	25,889
Excess (deficiency) of revenues over expenditures	(174,554)	(174,554)	(174,310)	244
OTHER FINANCING SOURCES				
Transfers in	100,000	100,000	-	(100,000)
Total other financing sources	100,000	100,000	-	(100,000)
Net change in fund balance	(74,554)	(74,554)	(174,310)	(99,756)
Fund balances - beginning	494,419	494,419	494,419	-
Fund balances - ending	$ 419,865	$ 419,865	$ 320,109	$ (99,756)

Hotel Occupancy Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

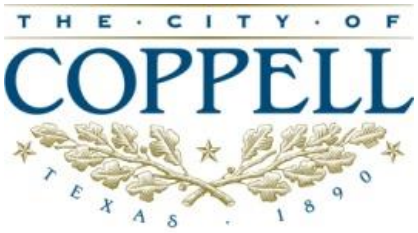
	Hotel Occupancy Tax			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes, Penalties, and Interest	$ 600,000	$ 912,000	$ 47,397	$ (864,603)
Investment earnings	-	1,000	2,566	1,566
Total revenues	600,000	913,000	49,963	(863,037)
EXPENDITURES				
Capital outlay:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	600,000	913,000	49,963	(863,037)
Net change in fund balance	600,000	913,000	49,963	(863,037)
Fund balances - beginning	135,998	135,998	135,998	-
Fund balances - ending	$ 735,998	$ 1,048,998	$ 185,961	$ (863,037)

Recreation Development Corporation Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Recreation Development Corporation			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes, penalties, and interest	$ 2,573,250	$ 2,573,250	$ 2,567,246	$ (6,004)
Investment earnings	10,000	10,000	10,385	385
Total revenues	2,583,250	2,583,250	2,577,631	(5,619)
EXPENDITURES				
Debt service:				
Principal retirement	750,000	750,000	750,000	-
Interest	1,820,250	1,820,250	1,816,245	4,005
Total expenditures	2,570,250	2,570,250	2,566,245	4,005
Excess (deficiency) of revenues over expenditures	13,000	13,000	11,386	(1,614)
Net change in fund balances	13,000	13,000	11,386	(1,614)
Fund balances - beginning	90,580	90,580	90,580	-
Fund balances - ending	$ 103,580	$ 103,580	$ 101,966	$ (1,614)

Perpetual Care Rolling Oaks Cemetery Permanent Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	Perpetual Care - Rolling Oaks Cemetery			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services	$ -	$ -	$ 54,556	$ 54,556
Investment earnings	-	-	10,120	10,120
Total revenues	-	-	64,676	64,676
EXPENDITURES				
Current:				
Culture and recreation	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	64,676	64,676
Net change in fund balance	-	-	64,676	64,676
Fund balance - beginning	531,757	531,757	531,757	-
Fund balance - ending	$ 531,757	$ 531,757	$ 596,433	$ 64,676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Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for and payment of principal, interest and other related costs on long-term debt.

General Obligation Fund - To account for debt service activities pertaining to general City indebtedness.

General Obligation Debt Service Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
For the Year Ended September 30, 2019

	General Obligation			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes, Penalties, and Interest	$ 9,302,717	$ 9,302,717	$ 9,273,550	$ (29,167)
Investment earnings	50,000	50,000	42,945	(7,055)
Total revenues	9,352,717	9,352,717	9,316,495	(36,222)
EXPENDITURES				
Debt service:				
Principal retirement	6,670,000	6,670,000	6,670,000	-
Interest	2,683,505	2,683,505	2,674,425	9,080
Total expenditures	9,353,505	9,353,505	9,344,425	9,080
Deficiency of revenues over expenditures	(788)	(788)	(27,930)	(27,142)
Net change in fund balance	(788)	(788)	(27,930)	(27,142)
Fund balance - beginning	991,703	991,703	991,703	-
Fund balance - ending	$ 990,915	$ 990,915	$ 963,773	$ (27,142)

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies on a cost-reimbursement basis.

Self Funded Health Fund – To account for the self funded health program provided by the City to its employees at no cost to the employees, and to their dependents, on a subsidized cost basis.

Capital Replacement Fund – To provide for capital fleet replacements based on the fleet services replacement schedule.

CITY OF COPPELL, TEXAS

Combining Statement of Net Position
Internal Service Funds
September 30, 2019

	Self-Funded Health	Capital Replacement Fund	Total Internal service funds
ASSETS			
Current assets:			
Cash	$ 946,390	$ 1,467,999	$ 2,414,389
Investments	6,754,351	3,275,400	10,029,751
Accounts receivable	20,447	-	20,447
Interest receivable	23,355	24,274	47,629
Total current assets	7,744,543	4,767,673	12,512,216
Noncurrent assets:			
Total noncurrent assets	-	-	-
Total assets	7,744,543	4,767,673	12,512,216
LIABILITIES			
Current liabilities:			
Claims liability	510,680	-	510,680
Accounts payable	7,384	-	7,384
Total current liabilities	518,064	-	518,064
Noncurrent liabilities:			
Total noncurrent liabilities	-	-	-
Total liabilities	518,064	-	518,064
NET POSITION			
Unrestricted	7,226,479	4,767,673	11,994,152
Total net position	$ 7,226,479	$ 4,767,673	$ 11,994,152

CITY OF COPPELL, TEXAS

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2019

	Self-Funded Health Fund	Capital Replacement Fund	Total Internal service funds
OPERATING REVENUES			
City and employee contributions	$ 6,396,091	$ -	$ 6,396,091
Total operating revenues	6,396,091	-	6,396,091
OPERATING EXPENSES			
Claims	3,734,041	-	3,734,041
Contractual services and charges	951,644	-	951,644
Total operating expenses	4,685,685	-	4,685,685
Operating income (loss)	1,710,406	-	1,710,406
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	167,733	82,913	250,646
Total nonoperating revenues (expenses)	167,733	82,913	250,646
Income (loss) before contributions and transfers	1,878,139	82,913	1,961,052
Transfers in	-	1,464,328	1,464,328
Change in net position	1,878,139	1,547,241	3,425,380
Total net position - beginning	5,348,340	3,220,432	8,568,772
Total net position - ending	$ 7,226,479	$ 4,767,673	$ 11,994,152

CITY OF COPPELL, TEXAS

Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2019

	Self-Funded Health Fund	Capital Replacement Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from City and employee contributions	$ 6,474,312	$ -	$ 6,474,312
Cash payments for claims	(3,735,396)	-	(3,735,396)
Cash payments for contractual services and charges	(948,588)	-	(948,588)
Cash payments for wellness program	(582)	-	(582)
Net cash provided by operating activities	1,789,746	-	1,789,746
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	-	1,464,328	1,464,328
Net cash provided by noncapital financing activities	-	1,464,328	1,464,328
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Net cash provided by capital and related financing activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from maturity of investments	4,053,384	4,999,880	9,053,264
Purchase of investments	(5,960,748)	(6,486,109)	(12,446,857)
Interest received	144,848	59,389	204,237
Net cash provided (used) by investing activities	(1,762,516)	(1,426,840)	(3,189,356)
Net increase in cash and cash equivalents	27,230	37,488	64,718
Balances - beginning of year	4,056,027	1,430,511	5,486,538
Balances - end of the year	$ 4,083,257	$ 1,467,999	$ 5,551,256
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 1,710,406	$ -	$ 1,710,406
Changes in assets and liabilities:			
Decrease in receivables	78,221	-	78,221
Decrease in accounts payable	2,474	-	2,474
(Decrease) in unpaid claims	(1,355)	-	(1,355)
Net cash provided by operating activities	$ 1,789,746	$ -	$ 1,789,746
Noncash investing, capital and financing activities			
Total noncash investing, capital and financing activities	$ -	$ -	$ -
CASH RECONCILIATION			
Actual balance - end of year	$ 4,083,257	$ 1,467,999	$ 5,551,256

Private-Purpose Trust Fund

Private-purpose Trust funds are used to account for trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Pre-need Trust - To hold funds to be used for memorial merchandise for individuals who have entered pre-need contracts.

CITY OF COPPELL, TEXAS

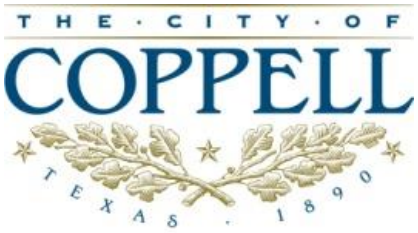
Comparative Statement of Fiduciary Net Position
Private-Purpose Trust Fund
For the Year Ended September 30, 2019
(With comparative totals for September 30, 2018)
(Unaudited)

	Private-purpose Trust	
	2019	2018
ASSETS		
Cash	$ 170,857	$ 132,974
Accounts receivable	12,863	3,059
Total Cash	183,720	136,033
Total assets	183,720	136,033
LIABILITIES		
Accounts payable	$ 425	$ 1,231
Deposits	183,295	134,802
Total liabilities	183,720	136,033
NET POSITION		
Total net position		
Held in trust for cemetery	$ -	$ -

CITY OF COPPELL, TEXAS

Comparative Statement of Changes in Fiduciary Net Position
Private-Purpose Trust Fund
For the Year Ended September 30, 2019
(With comparative totals for September 30, 2018)
(Unaudited)

	Private-Purpose Trust Fund	
	2019	2018
ADDITIONS		
Total Investment earnings	$ -	$ -
Total additions	-	-
DEDUCTIONS		
Total Interest and fiscal charges	-	-
Total deductions	-	-
Net increase (decrease) in fiduciary net position	-	-
Net Position -- beginning of the year	-	-
Net Position -- end of the year	$ -	$ -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Other Post-employment Benefits Trust Fund

Other Post-employment Benefits Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of other post-employment benefit plans;

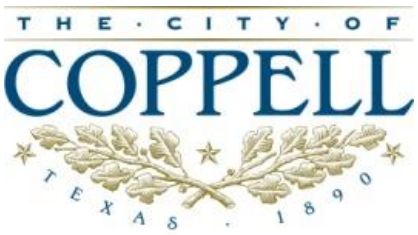
OPEB Trust Fund - to report resources held in trust for the healthcare benefits of members

Comparative Statement of Fiduciary Net Position
Other Post-employment Benefits Trust Fund, December 31, 2018
(With comparative totals for December 31, 2017)

	Other Post-employment Benefits Trust	
	2018	2017
ASSETS		
Cash	$ 224,632	$ 235,233
Total Cash	224,632	235,233
Total assets	224,632	235,233
LIABILITIES		
Total liabilities	-	-
NET POSITION		
Net position, held in trust for Other Post-employment Benefit Plan	224,632	235,233
Total net position restricted for OPEB	$ 224,632	$ 235,233

Comparative Statement of Changes in Fiduciary Net Position
Other Post-employment Benefits Trust Fund, for the Year Ended December 31, 2018
(With comparative totals for December 31, 2017)

	Other Post-employment Benefits Trust	
	2018	2017
ADDITIONS		
Investment earnings:		
Total investment earnings	$ -	$ 24,567
Total additions	-	24,567
DEDUCTIONS		
Total investment losses	9,231	-
Interest and fiscal charges	1,370	1,299
Total deductions	10,601	1,299
Net increase (decrease) in fiduciary net position	(10,601)	23,268
Net Position -- beginning of the year	235,233	211,965
Net Position -- end of the year	$ 224,632	$ 235,233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Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental agencies and/or other funds.

Health Reimbursement Arrangement Fund - To account for contributions and disbursements on behalf of members of the Health Reimbursement Arrangement.

CITY OF COPPELL, TEXAS

Combining Statement of Fiduciary Net Position
Agency Funds
September 30, 2019

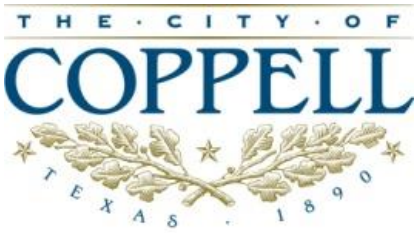
	Health Reimbursement Arrangement	Total Agency Funds
ASSETS		
Cash	$ 11,165	$ 11,165
Investments	609,556	609,556
Interest receivable	30	30
Total Cash	620,751	620,751
Total assets	620,751	620,751
LIABILITIES		
Due to members	$ 620,751	$ 620,751
Total liabilities	620,751	620,751

CITY OF COPPELL, TEXAS

Statement of Changes in Assets and Liabilities
Agency Fund
For the Year Ended September 30, 2019

Health Reimbursement Arrangement

	October 1, 2018	Additions	Deletions	September 30, 2019
ASSETS				
Cash	$ 181,603	$ 225,278	$ 395,716	$ 11,165
Investments with fiscal agents	516,067	278,706	185,217	609,556
Interest receivable	4,331	12,509	16,810	30
Total assets	$ 702,001	$ 516,493	$ 597,743	$ 620,751
LIABILITIES				
Due to members	$ 702,001	$ 118,776	$ 200,026	$ 620,751
Total liabilities	$ 702,001	$ 118,776	$ 200,026	$ 620,751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STATISTICAL SECTION

(Unaudited)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. It includes five categories of information: Financial Trends (tables 1-4), Revenue Capacity (tables 5-8), Debt Capacity (tables 9-12), Demographic and Economic Information (tables 13-14), Operating Information (tables 15-17) and Other Information (tables 18).

Financial Trends: These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity: These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity: These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information: These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information: These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF COPPELL, TEXAS

Table 1
Continued

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(unaudited)

	Fiscal Year			
	2010	**2011**	**2012**	**2013**
Governmental activities				
Net Investment in capital assets	$ 129,054,811	$ 132,486,958	$ 139,216,837	$ 146,884,231
Restricted	16,856,903	15,507,985	14,215,021	16,197,843
Unrestricted	51,273,344	57,017,841	67,413,142	71,522,318
Total governmental activities net position	$ 197,185,058	$ 205,012,784	$ 220,845,000	$ 234,604,392
Business-type activities				
Net Investment in capital assets	$ 56,714,441	$ 54,715,252	$ 53,267,995	$ 51,997,091
Restricted	-	-	-	-
Unrestricted	11,538,139	13,383,652	13,639,474	14,259,074
Total business-type activities net position	$ 68,252,580	$ 68,098,904	$ 66,907,469	$ 66,256,165
Primary government				
Net Investment in capital assets	$ 185,769,252	$ 187,202,210	$ 192,484,832	$ 198,881,322
Restricted	16,856,903	15,507,985	14,215,021	16,197,843
Unrestricted	62,811,483	70,401,493	81,052,616	85,781,392
Total primary government net position	$ 265,437,638	$ 273,111,688	$ 287,752,469	$ 300,860,557

Source: Comprehensive Annual Financial Reports

Table 1
Concluded

	Fiscal Year					
	2014	**2015**	**2016**	**2017**	**2018**	**2019**
	$ 162,396,572	$ 174,154,246	$ 206,573,165	$ 193,976,954	$ 195,597,965	$ 197,515,496
	19,461,531	36,624,804	35,491,006	36,260,125	39,241,221	47,018,689
	70,424,813	43,774,048	25,903,669	56,318,777	68,579,463	83,315,855
	$ 252,282,916	$ 254,553,098	$ 267,967,840	$ 286,555,856	$ 303,418,649	$ 327,850,040
	$ 52,898,936	$ 51,981,002	$ 50,560,535	$ 49,725,289	$ 48,511,863	$ 45,831,979
	-	-	-	-	-	-
	12,430,654	11,526,561	11,277,823	10,752,952	13,097,721	17,632,600
	$ 65,329,590	$ 63,507,563	$ 61,838,358	$ 60,478,241	$ 61,609,584	$ 63,464,579
	$ 215,295,508	$ 226,135,248	$ 257,133,700	$ 243,702,243	$ 244,109,828	$ 243,347,475
	19,461,531	36,624,804	35,491,006	36,260,125	39,241,221	47,018,689
	82,855,467	55,300,609	37,181,492	67,071,729	81,677,184	100,948,455
	$ 317,612,506	$ 318,060,661	$ 329,806,198	$ 347,034,097	$ 365,028,233	$ 391,314,619

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2010	2011	2012	2013	2014
Expenses					
Governmental activities:					
General government	$ 7,320,716	$ 7,488,957	$ 7,763,532	$ 8,332,043	$ 9,344,697
Public safety	21,709,084	21,916,606	22,085,919	23,420,063	23,587,427
Public works	15,147,268	17,260,038	14,400,466	18,566,784	18,963,274
Cultural and recreation	10,165,547	10,052,119	10,798,583	11,129,531	12,246,721
Bond issuance costs	-	-	-	-	-
Interest on long term debt	3,867,967	3,801,639	3,777,159	3,705,832	3,301,001
Total government activities expenses	58,210,582	60,519,359	58,825,659	65,154,253	67,443,120
Business-type activities:					
Water	9,414,972	10,321,349	10,530,702	10,752,543	10,458,923
Sewer	4,689,046	5,051,327	5,091,282	5,260,198	5,550,940
Total business-type activities expenses	14,104,018	15,372,676	15,621,984	16,012,741	16,009,863
Total primary government expenses	72,314,600	75,892,035	74,447,643	81,166,994	83,452,983
Program Revenues					
Governmental activities					
Charges for services:					
General government	2,005,333	2,286,723	2,342,257	2,363,037	2,076,301
Public safety	3,560,223	3,638,478	4,577,417	4,204,689	4,460,670
Public works	943,367	1,236,423	1,325,830	1,726,202	1,271,744
Cultural and recreation	1,831,170	2,304,323	2,441,964	3,077,773	2,842,723
Operating grants and contributions	92,873	163,481	145,601	40,164	44,046
Capital grants and contributions	3,239,870	112,626	2,081,223	2,312,920	8,039,088
Total governmental activities program revenues	11,672,836	9,742,054	12,914,292	13,724,785	18,734,572
Business-type activities:					
Charges for services:					
Water	8,533,445	10,262,665	9,225,558	9,216,262	8,683,272
Sewer	4,212,161	4,541,282	4,417,757	4,469,654	4,430,144
Capital grants and contributions	1,017,634	143,600	526,515	727,006	1,700,243
Total business-type activities program revenues	13,763,240	14,947,547	14,169,830	14,412,922	14,813,659
Total primary government program revenues	25,436,076	24,689,601	27,084,122	28,137,707	33,548,231
Net (expenses) revenue					
Governmental activities	(46,537,746)	(50,777,305)	(45,911,367)	(51,429,468)	(48,708,548)
Business-type activities	(340,778)	(425,129)	(1,452,154)	(1,599,819)	(1,196,204)
Total primary government net expense	(46,878,524)	(51,202,434)	(47,363,521)	(53,029,287)	(49,904,752)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property tax	31,136,217	33,203,622	33,203,622	33,180,127	33,392,778
Sales tax	19,355,038	20,731,979	20,731,979	26,696,689	28,014,382
Franchise tax	3,416,063	3,534,410	3,534,410	3,790,673	4,073,248
Hotel occupancy	-	-	-	-	-
Investment earnings	254,957	160,715	160,715	436,570	382,434
Miscellaneous	849,828	925,029	925,029	988,004	744,785
(Loss)/gain on sale of capital assets	55,065	49,276	49,276	96,797	399,266
Transfers	-	-	-	-	-
Total governmental activities	55,067,168	58,605,031	58,605,031	65,188,860	67,006,893
Business-type activities:					
Investment earnings	151,266	155,481	155,481	146,147	111,272
Miscellaneous	133,723	92,149	92,149	785,671	174,480
Gain on sale of capital assets	-	23,823	23,823	16,697	-
Transfers	-	-	-	-	-
Total business-type activities	284,989	271,453	271,453	948,515	285,752
Total primary government	55,352,157	58,876,484	58,876,484	66,137,375	67,292,645
Change in Net Position					
Governmental activities	8,529,422	7,827,726	12,693,664	13,759,392	18,298,345
Business-type activities	(55,789)	(153,676)	(1,180,701)	(651,304)	(910,452)
Total Primary government	$ 8,473,633	$ 7,674,050	$ 11,512,963	$ 13,108,088	$ 17,387,893

Source: Comprehensive Annual Financial Reports

Table 2
Concluded

Fiscal Year				
2015	2016	2017	2018	2019
$ 10,220,976	$ 10,703,347	$ 11,749,067	$ 12,133,183	$ 11,503,100
25,269,499	26,574,260	29,539,397	29,082,389	31,902,288
21,997,180	20,040,386	20,487,731	21,587,601	19,994,492
14,659,086	14,162,493	15,434,727	14,778,572	16,934,994
929,977	254,203	-	168,311	-
3,372,392	3,309,550	3,194,139	3,063,131	4,650,896
76,449,110	75,044,239	80,405,061	80,813,187	84,985,770
10,050,476	10,822,513	10,196,494	11,015,481	10,434,397
5,899,121	6,137,822	8,309,623	8,010,634	7,880,335
15,949,597	16,960,335	18,506,117	19,026,115	18,314,732
92,398,707	92,004,574	98,911,178	99,839,302	103,300,502
1,351,225	1,088,093	1,258,100	1,091,919	1,100,064
4,493,415	4,269,496	3,836,424	4,019,742	4,180,435
737,619	1,117,925	1,025,690	1,034,459	1,096,232
2,680,553	2,772,976	2,944,484	2,984,278	3,013,751
58,957	29,312	449,291	742,830	417,227
9,264,802	3,711,097	2,910,301	581,043	334,725
18,586,571	12,988,899	12,424,290	10,454,271	10,142,434
8,686,979	9,468,559	10,537,685	11,931,888	11,547,538
4,359,606	4,874,744	5,747,570	6,503,731	6,573,028
1,171,695	388,357	1,091,524	663,824	451,143
14,218,280	14,731,660	17,376,779	19,099,443	18,571,709
32,804,851	27,720,559	29,801,069	29,553,714	28,714,143
(57,862,539)	(62,055,340)	(67,980,771)	(70,358,916)	(74,843,336)
(1,731,317)	(2,228,675)	(1,129,338)	73,328	256,977
(59,593,856)	(64,284,015)	(69,110,109)	(70,285,588)	(74,586,359)
34,077,476	36,279,008	38,572,813	40,450,452	43,075,545
30,250,169	33,794,720	40,801,360	40,176,024	46,668,635
4,213,325	4,264,029	4,486,071	4,618,145	4,266,877
-	-	155,109	-	-
137,436	456,745	930,196	2,377,305	4,546,817
404,138	546,169	946,365	534,088	525,860
449,885	107,913	-	393,222	81,953
12,411	21,498	676,873	109,040	109,040
69,544,840	75,470,082	86,568,787	88,658,276	99,274,727
113,939	192,447	226,286	378,007	657,490
199,596	380,390	209,685	848,932	1,046,052
29,276	8,131	10,123	70,311	3,516
(12,411)	(21,498)	(676,873)	(109,404)	(109,040)
330,400	559,470	(230,779)	1,187,846	1,598,018
69,875,240	76,029,552	86,338,008	89,846,122	100,872,745
11,682,301	13,414,742	18,588,016	18,299,360	24,431,391
(1,400,917)	(1,669,205)	(1,360,117)	1,261,174	1,854,995
$ 10,281,384	$ 11,745,537	$ 17,227,899	$ 19,560,534	$ 26,286,386

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Reserved*	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-
Nonspendable:				
Prepaids	69,743	115,108	86,064	101,497
10% Reserve of next fiscal year's budget	4,382,798	4,446,075	4,593,771	4,867,173
Restricted For:				
Emergency 911	532,360	644,425	552,203	201,702
Public educational government channel	-	-	-	-
Public education about solid waste	-	-	-	-
Land sales for debt service	1,032,461	1,032,461	1,369,575	880,884
Improvements / maintenance of recreation facilities, trails, drainage & streetscapes	2,712,122	6,431,621	8,312,465	13,415,674
By grant for Town Center windows	180,000	-	-	-
Committed To:				
City charter required reserves	-	-	-	-
15% fund balance per policy	6,574,198	6,669,112	6,890,657	7,300,760
Revenue threats	-	-	-	-
Public works project	-	-	-	-
Debt service - proposed issues	529,695	450,000	428,625	-
Bethel II loan-phase II	-	3,000,000	3,000,000	-
Cemetery	100,000	100,000	-	-
Citywide radio replacement (FCC Regulation)	1,500,000	1,500,000	3,000,000	3,505,003
Improvements / maintenance of recreation facilities, trails, drainage & streetscapes	-	-	-	-
Recreational programs and services	-	927,826	-	-
Economic development	-	-	-	3,723,830
Assigned To:				
Capital projects	-	-	-	-
Designated for one time sales tax PMT	1,000,000	1,000,000	1,000,000	1,000,000
Old town incentive program	100,000	100,000	100,000	100,000
Northlake dam repairs	-	1,000,000	2,500,000	2,500,000
Bethel II loan	2,000,000	-	-	-
Phase II - branding project	-	-	-	115,000
Software upgrades	-	-	-	250,000
Service center expansion - phase I	-	-	-	-
Quad-city joint training facility	-	-	-	-
Landscape Town Center campus - phase I	-	-	-	-
Council chamber AV upgrade	-	-	-	-
Animal shelter renovation	-	-	-	-
Purchase & renovate facility	-	-	653,071	1,027,000
Volunteer coordination				-
Outreach vehicle				-
Economic development program				-
Unassigned	18,902,481	18,012,894	20,536,051	17,952,989
Total general fund	$ 39,615,858	$ 45,429,522	$ 53,022,482	$ 56,941,512

Note: *Includes encumbrances and prepaid items
The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.
Fiscal year 2010 amounts restated to conform to the new statement requirement.

Source: Comprehensive Annual Financial Reports

Table 3
Continued

Fiscal Year					
2014	2015	2016	2017	2018	2019
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
114,815	98,574	203,857	168,478	168,291	160,376
5,290,290	-	-	-	-	-
185,681	222,600	379,104	514,721	660,860	808,441
343,529	56,505	187,945	308,525	416,316	524,156
-	11,381	13,850	35,479	25,597	23,232
-	-	-	-	-	-
12,534,411	11,553,092	10,507,021	9,534,715	8,509,480	8,691,480
-	-	-	-	-	-
-	5,609,917	5,851,084	6,771,140	6,495,034	6,864,856
7,935,436	-	-	-	-	-
1,533,342	-	-	-	-	-
356,844	356,844	356,844	358,858	358,858	358,858
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,600,000	3,475,371	3,396,193	974,831	86,834	71,898
559,103	532,970				
1,095,244	1,095,244	945,244	1,078,355	966,355	966,355
-	4,901,400	4,013,140	450,000	950,000	950,000
1,000,000	-	-	-	-	-
100,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
115,000	-	-	-	-	-
250,000	-	-	-	-	-
1,320,000	-	-	-	-	-
638,000	-	-	-	-	-
150,000	-	-	-	-	-
150,000	-	-	-	-	-
280,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	50,000
-	-	-	-	-	100,000
-	-	-	-	-	250,000
17,858,890	27,675,381	31,555,920	37,312,725	44,917,171	56,100,850
$ 54,410,585	$ 55,589,279	$ 57,410,202	$ 57,507,827	$ 63,554,796	$ 75,920,502

CITY OF COPPELL, TEXAS

Table 3
Continued

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
All Other Governmental Funds				
Reserved for:				
Prepaid items	$ -	$ -	$ -	$ -
Encumbrances	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Perpetual Care	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Nonspendable:				
Prepaids	250	30,156	6,389	36,788
Permanent fund - Perpetual Care Fund	-	-	-	-
Restricted For:				
Public Safety	4,518,780	5,253,915	6,384,172	7,455,586
Fire	-	-	-	-
Police	-	-	-	-
Animal shelter	-	-	-	-
Child safety programs	-	-	-	-
Crime prevention programs and services	-	-	-	-
Court security	-	-	-	-
Traffic and signal enforcement / improvements	-	-	-	-
Juvenile case manager	-	-	-	-
Court technology	-	-	-	-
Judicial efficiency	-	-	-	-
Culture and Recreation	9,004,631	6,258,561	3,727,507	4,112,434
Recycling	-	-	-	-
Community garden / farmer's market	-	-	-	-
Library	-	-	-	-
Parks	-	-	-	-
Art Center	-	-	-	-
Tennis Center	-	-	-	-
Senior Center	-	-	-	-
Living Well wellness incentive		-	-	-
Promotion of tourism and events		-	-	-
Improvements / maintenance of recreation facilities	-	-	-	-
Improvements / maintenance of recreation facilities, trails, drainage & streetscapes	-	-	-	-
Economic Development	1,000	2,540	4,119	5,624
Capital Projects	8,696,329	21,860,776	15,246,081	23,068,169
Debt Service	975,928	896,168	963,227	916,961
Perpetual Care	46,315	78,042	105,983	150,536
Committed To:				
Culture and Recreation	1,747,219	876,160	697,077	1,272,183
Parks	-	-	-	-
Rolling Oaks Cemetery	-	-	-	-
Tree preservation	-	-	-	-
Economic Development	42,000	3,836	12,389	11,933
Public Works	10,867,814	11,740,449	15,135,433	14,921,787
Infrastructure maintenance	-	-	-	-
Storm water control development	-	-	-	-
Unassigned	(3,473)	(2,762)	(5,995)	-
Total all other governmental funds	$ 35,896,793	$ 46,997,841	$ 42,276,382	$ 51,952,001

Note: *Includes encumbrances and prepaid items
The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011.
Fiscal year 2010 amounts restated to conform to the new statement requirement.

Source: Comprehensive Annual Financial Reports

Table 3
Concluded

Fiscal Year					
2014	2015	2016	2017	2018	2019
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,950	300,630	3,929	373,820	356,309	-
-	334,587	397,652	468,077	531,757	596,433
8,410,324	-	-	-	-	-
-	11,956	13,943	22,182	21,572	23,328
-	357,854	285,058	244,719	216,718	172,728
-	17,813	13,908	10,506	6,956	2,551
-	73,476	75,259	76,952	69,366	102,630
-	6,815,032	8,624,975	7,617,358	8,138,347	10,103,771
-	239,120	264,110	284,412	306,477	337,126
-	495,428	581,051	672,015	705,785	654,944
-	108,406	156,848	199,375	249,635	302,785
-	194,917	147,033	142,568	143,513	86,157
-	10,458	12,792	12,851	12,243	17,007
4,506,434	-	-	-	-	-
-	62,851	63,651	64,472	65,616	67,128
-	1,526	1,528	1,534	1,552	1,583
-	31,348	32,390	33,168	33,750	26,383
-	13,844	14,774	33,844	34,311	35,505
-	33,165	21,848	25,053	29,589	34,565
-	-	1,003	1,006	1,017	1,670
-	6,881	7,493	10,337	17,812	21,433
-	-	-	101	102	105
-	-	-	155,225	135,998	185,961
-	571,826	62,033	-	-	-
-	1,703,290	225,504	5,602,531	10,386,554	13,299,143
6,796	7,865	8,785	9,249	9,433	9,621
18,066,714	43,958,412	28,622,899	21,179,226	47,399,395	32,744,105
1,150,585	1,009,125	1,012,235	1,097,635	1,082,283	1,065,739
243,855	-	-	-	-	-
1,721,015	-	-	-	-	-
-	476,748	486,347	393,887	360,451	356,089
-	397,667	510,518	516,778	490,819	320,109
-	850,430	187,341	105,952	106,702	179,545
11,254	11,482	12,055	12,798	14,917	17,192
15,479,525	-	-	16,746,586	-	
-	13,625,914	14,403,249	-	20,190,713	21,563,069
-	935,257	962,010	722,310	612,013	604,096
-	-	-	-	-	-
$ 49,598,452	$ 72,657,308	$ 57,212,221	$ 56,836,527	$ 91,731,705	$ 82,932,501

CITY OF COPPELL, TEXAS

Table 4
Continued

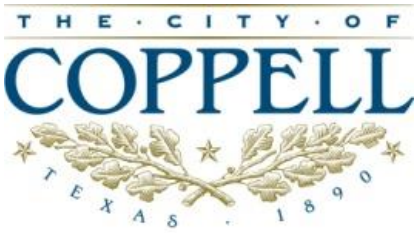
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual of accounting)
(Unaudited)

	Fiscal Year			
	2010	2011	2012	2013
Revenues:				
Taxes, Penalties and Interest	$ 53,898,890	$ 57,424,397	$ 59,931,585	$ 63,616,783
Licenses, Fees and Permits	1,658,830	1,911,363	2,962,755	3,598,450
Intergovernmental	321,204	209,034	573,440	189,100
Charges for Services	4,600,543	5,768,299	6,233,847	6,252,263
Fines and Forfeitures	2,135,788	1,640,927	1,502,533	1,392,266
Interest Income	214,409	144,834	115,389	435,485
Contributions	295,459	51,154	138,703	644,875
Miscellaneous	818,853	893,045	1,290,575	988,004
Total Revenues	63,943,976	68,043,053	72,748,827	77,117,226
Expenditures				
Current				
General Government	6,825,819	6,816,522	7,141,775	7,628,696
Public Safety	20,078,748	19,898,395	20,072,371	21,106,537
Public Works	6,089,002	8,470,887	6,712,651	10,641,240
Culture and Recreation	8,658,606	8,426,540	8,806,961	9,310,449
Debt Service:				
Capital Lease Principal Portion	8,148	8,957	4,034	-
Capital Lease Interest Portion	1,656	847	51	-
Principal Retirement	6,560,000	6,525,000	7,295,000	9,120,000
Interest and Fiscal Charges	3,873,613	3,669,034	3,755,273	3,667,884
Bond Issuance Costs	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Capital Outlay	13,980,985	12,353,419	17,081,285	12,450,094
Total Expenditures	66,076,577	66,169,601	70,869,401	73,924,900
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,132,601)	1,873,452	1,879,426	3,192,326
OTHER FINANCING SOURCES (USES):				
Transfers In	7,638,727	4,741,030	6,661,623	9,538,585
Transfers Out	(7,815,794)	(4,741,030)	(6,773,248)	(9,538,585)
Proceeds from Capital Lease	-	-	-	-
Proceeds from Sale of Capital Assets	86,040	81,260	1,103,700	697,323
Discount on General Obligation Debt	-	-	-	-
Issuance of General Obligation Debt	-	14,960,000	-	9,615,000
Issuance of Certificates of Obligation Debt	-	-	-	-
Premium on General Obligation Debt	-	-	-	907,331
Issuance of Refunding Bonds	4,802,914	6,498,275	-	7,660,000
Premium on Refunding Bonds	-	-	-	-
Payment to Refunded Bond Escrow Agent	(4,802,914)	(6,498,275)	-	(8,477,331)
Total Other Financing Sources (Uses)	(91,027)	15,041,260	992,075	10,402,323
NET CHANGE IN FUND BALANCES	$ (2,223,628)	$ 16,914,712	$ 2,871,501	$ 13,594,649
Debt service as a percentage of noncapital expenditures	20.4%	30.4%	20.6%	22.5%

Source: Comprehensive Annual Financial Reports

Table 4
Concluded

Fiscal Year						
2014	2015	2016	2017	2018	2019
$ 65,480,692	$ 68,562,621	$ 74,374,878	$ 80,282,863	$ 85,012,568	$ 93,826,923
2,755,025	3,141,519	2,942,642	2,786,453	2,745,483	3,084,765
2,886,157	4,978,173	3,346,486	310,174	21,643	378,122
5,805,289	4,676,369	4,730,901	4,839,631	4,757,517	4,801,090
1,571,891	1,621,043	1,686,344	1,508,260	1,635,614	1,507,453
381,697	136,319	451,114	909,463	2,290,475	4,296,170
2,296,979	722,978	29,312	449,291	742,830	45,773
744,785	546,072	546,169	946,365	562,537	480,338
81,922,515	84,385,094	88,107,846	92,032,500	97,768,667	108,420,634
8,455,424	9,126,708	12,154,462	10,245,208	10,786,150	11,091,815
21,482,054	22,753,812	21,224,318	25,989,089	27,353,203	28,438,482
11,295,050	13,824,686	12,632,686	11,798,073	13,367,885	11,328,638
10,348,305	12,604,219	11,895,649	12,424,364	12,436,100	13,976,859
-	-	-	-	-	-
-	-	-	-	-	-
8,380,000	7,545,000	6,810,000	7,395,000	6,730,000	7,420,000
3,406,048	3,432,566	3,609,074	3,623,689	3,428,638	4,490,670
88,388	335,839	94,606	-	-	-
-	65,135	-	-	-	-
24,998,997	23,964,883	45,278,822	22,714,279	15,809,925	26,834,334
88,454,266	93,652,848	113,699,617	94,189,702	89,911,901	103,580,798
(6,531,751)	(9,267,754)	(25,591,771)	(2,157,202)	7,856,766	4,839,836
15,376,991	6,218,068	9,000,280	12,890,326	5,904,031	7,094,740
(15,522,660)	(6,399,923)	(9,423,455)	(13,335,176)	(7,222,111)	(8,450,028)
-	-	-	-	-	-
1,830,833	2,140,151	637,055	2,323,923	235,209	81,954
-	-	-	-	-	-
-	29,025,000	-	-	31,555,000	-
-	-	10,680,000	-	-	-
162,986	2,463,269	975,886	-	2,613,312	-
6,560,000	21,380,000	4,405,000	-	-	-
-	2,035,990	275,168	-	-	-
(6,760,875)	(23,357,251)	(4,582,327)	-	-	-
1,647,275	33,505,304	11,967,607	1,879,073	33,085,441	(1,273,334)
$ (4,884,476)	$ 24,237,550	$ (13,624,164)	$ (278,129)	$ 40,942,207	$ 3,566,502
15.4%	15.8%	15.2%	15.4%	13.7%	15.5%


THE · CITY · OF
COPPELL
TEXAS · 1890

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated Market Value		Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2010	4,772,929,255	1,011,517,590	939,596,475	4,844,850,370	0.64146
2011	4,756,891,450	888,722,767	837,175,991	4,808,438,226	0.69046
2012	4,758,234,316	928,408,834	888,458,232	4,798,184,918	0.69046
2013	4,841,227,663	1,158,496,491	1,054,362,383	4,945,361,771	0.67046
2014	5,039,706,247	1,331,729,530	1,170,006,763	5,201,429,014	0.63750
2015	5,486,401,719	1,474,732,621	1,344,781,638	5,616,352,702	0.60649
2016	6,011,691,777	1,770,518,414	1,606,612,216	6,175,597,975	0.58400
2017	6,651,002,689	1,812,239,159	1,798,740,587	6,664,501,261	0.57950
2018	7,027,076,608	1,693,571,897	1,705,601,026	7,015,047,479	0.57950
2019	7,578,066,995	2,032,167,103	2,012,436,307	7,597,797,791	0.56950

Source: Dallas Central Appraisal District / Denton Central Appraisal District

Direct and Overlapping Property Tax rates (per $100 of assessed value)
Last Ten Fiscal Years
(Unaudited)

	City Direct Rates			Overlapping Rates	
Fiscal Year	Operating	Debt Service	Total Direct	Carrollton-Farmers Branch Independent School District	Lewisville Independent School District
2010	0.49577	0.14569	0.64146	1.34220	1.40870
2011	0.49577	0.19469	0.69046	1.34690	1.42670
2012	0.49577	0.19469	0.69046	1.35680	1.42600
2013	0.46571	0.20475	0.67046	1.33060	1.45300
2014	0.43750	0.20000	0.63750	1.32350	1.47700
2015	0.44249	0.16400	0.60649	1.30330	1.47700
2016	0.44808	0.13592	0.58400	1.28170	1.47673
2017	0.44333	0.13617	0.57950	1.39170	1.42000
2018	0.46347	0.11603	0.57950	1.38100	1.40750
2019	0.44734	0.12216	0.56950	1.37000	1.40750

Note:

(a) Dallas County includes Dallas County, Dallas County Hospital District, and Dallas County Community College District

(b) Denton County includes Denton County, Denton County Levee District No.1, and Denton County Road Utility District

Source: Individual Taxing Entities

Table 6
Concluded

Overlapping Rates				
Coppell Independent School District	Dallas County (a)	Denton County (b)	Northwest Dallas County Flood Control District No.1	Irving Flood Control District No.3
1.28340	0.602212	0.764800	0.30000	0.274000
1.42420	0.623330	0.607400	0.30000	0.274000
1.42420	0.623770	0.550857	0.30000	0.134000
1.41880	0.643412	0.499870	0.30000	0.139000
1.43240	0.653800	0.469914	0.30000	0.142100
1.44900	0.663875	0.457200	0.30000	0.144100
1.43900	0.662750	0.447000	0.30000	0.128000
1.49270	0.654704	0.432409	0.30000	0.125000
1.47770	0.656738	0.420812	0.30000	0.125000
1.46050	0.656500	0.407574	0.30000	0.125000

Principal Property Tax Payers
Current Year and Nine Years Ago
(Unaudited)

2019			2010		
Taxpayer	Taxable Assessed Value (a)	Percentage of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value (b)	Percentage of Total City Taxable Assessed Value
Duke Realty Ltd PS	$ 196,033,924	2.58 %	Duke Realty	$ 102,503,379	2.12 %
Western A South TX LLC	86,124,592	1.13	St. Marin Karrington LP	43,500,000	0.90
SPUS8 St Marin LP	84,500,000	1.11	KTR Coppell LLC	38,137,490	0.79
Amazon com KYDC LLC	53,257,225	0.70	Staples	36,776,022	0.76
G&I IX Sandy Northpoint LLC	51,563,700	0.68	Chase	30,052,850	0.62
Columbia Texas Beltline Indust	51,450,610	0.68	UBC	29,519,597	0.61
Star Lakeside LLC	50,625,000	0.67	Western Rim	29,000,000	0.60
Samsung Electronics America Inc	49,322,466	0.65	Oncor	25,420,850	0.52
Prologis LP	46,224,604	0.61	Pratt & Whitney	24,935,348	0.51
Coppell Properties LLC	43,780,000	0.58	Curi Coppell	24,900,000	0.51
Total	$ 712,882,121	9.39 %		$ 384,745,536	7.94 %

a) Total taxable value including real and personal property for tax year 2018 (fiscal year 2019) is $7,597,797,791.
b) Total taxable value including real and personal property for tax year 2009 (fiscal year 2010) is $4,844,850,370.

Source: City's Certified Tax Roll

Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Taxes Levied Within the Fiscal Year of the Levy	Adjustments to Levy in Subsequent Years	Adjusted Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2010	31,081,595	(28,599)	31,052,996	30,939,342	99.54	111,797	31,051,139	99.99
2011	33,223,179	(13,677)	33,209,502	33,049,527	99.48	152,027	33,201,554	99.98
2012	33,129,547	103,411	33,232,958	32,999,557	99.61	224,695	33,224,252	99.97
2013	33,156,672	64,783	33,221,455	33,009,932	99.56	200,983	33,210,915	99.97
2014	33,159,110	(73,098)	33,086,012	33,026,805	99.60	44,975	33,071,780	99.96
2015	34,032,671	(54,888)	33,977,783	33,946,330	99.75	10,579	33,956,909	99.94
2016	36,072,197	(3,573)	36,068,624	35,976,226	99.73	57,979	36,034,205	99.90
2017	38,644,969	(108,820)	38,536,149	38,557,532	99.77	(55,094)	38,502,438	99.91
2018	40,689,245	(31,765)	40,657,480	40,587,056	99.75	7,672	40,594,728	99.85
2019	43,316,883	-	43,316,883	43,128,049	99.56	-	43,128,049	99.56

Source: City of Coppell Tax Department / Dallas County Tax Office

Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

	Governmental Activities				
Fiscal Year	General Obligation Bonds (1)	Certificates of Obligation (1)	General Obligation Refunding Bonds (1)	Other Obligations	Capital Leases
2009	$ 15,060,000	$ 41,765,000	$ 27,010,000	$ 5,585,000	$ 21,139
2010	14,350,000	37,040,000	26,455,000	5,075,000	12,991
2011	13,615,000	43,695,000	29,505,000	4,540,000	4,034
2012	12,855,000	41,195,000	26,030,000	3,980,000	-
2013	3,802,396	48,061,525	28,971,652	3,395,000	-
2014	2,974,697	44,358,335	25,260,051	2,780,000	-
2015	205,093	26,025,659	41,994,026	33,171,139	-
2016	-	30,510,523	43,177,799	32,410,872	-
2017	-	27,515,729	39,196,404	31,620,605	-
2018	-	58,993,581	35,475,009	30,800,338	-
2019	-	56,588,121	30,328,617	30,430,071	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See Table 13 for personal income and population data.

1) Presented net of original issuance discounts and premiums

Table 9
(Concluded)

Business-Type Activities					
Water and Sewer Revenue Bonds	Refunding Revenue Bonds	General Obligation Refunding Bonds (1)	Total Primary Government	Percentage of Personal Income	Per Capita
$ 1,215,000	$ 2,975,000	$ -	$ 93,631,139	4.94 %	$ 2,367
-	-	2,165,118	85,098,109	4.41	2,141
-	-	1,891,772	93,250,806	5.22	2,394
-	-	1,608,425	85,668,425	4.60	2,193
-	-	1,315,079	85,545,652	4.70	2,188
-	-	1,145,000	76,518,083	4.08	1,943
-	-	805,000	102,200,917	5.49	2,563
-	-	455,000	106,554,194	4.98	2,643
-	-	95,000	98,427,738	4.45	2,411
11,890,694	-	45,000	137,204,622	5.77	3,338
11,258,515	-	-	128,605,324	5.41	3,115

Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	General Obligation Refunding Bonds	Certificates of Obligation	Sales Tax Revenue Bonds	Less: Amount Available in Debt Service Funds (1)	Total	Percentage of Actual Taxable Value of Property	Per Capita
2009	$ 15,060,000	$ 27,010,000	$ 41,765,000	$ 5,585,000	$ 1,172,699	$ 88,247,301	1.83 %	$ 2,230
2010	14,350,000	26,455,000	37,040,000	5,075,000	899,473	82,020,527	1.69	2,063
2011	13,615,000	29,505,000	43,695,000	4,540,000	819,423	90,535,577	1.88	2,324
2012	12,855,000	26,030,000	41,195,000	3,980,000	886,206	83,173,794	1.73	2,129
2013	3,802,396	28,971,652	48,061,525	3,395,000	839,753	83,390,820	1.69	2,133
2014	2,974,697	25,260,051	44,358,335	2,780,000	1,073,452	74,299,631	1.43	1,887
2015	205,093	41,994,026	26,025,659	33,171,139	1,009,125	100,386,792	1.79	2,517
2016	-	43,177,799	30,510,523	32,410,872	1,012,235	105,086,959	1.70	2,607
2017	-	39,196,404	27,515,729	31,620,605	1,097,575	97,235,163	1.46	2,382
2018	-	58,993,581	35,475,009	30,800,338	1,082,283	124,186,645	1.77	3,022
2019	-	56,588,121	30,328,617	30,430,071	682,185	116,664,624	1.54	2,825

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
See Table 5 for property value data.
See Table 13 for population data.
(1) This is the amount restricted for debt service principal payments

Direct and Overlapping Governmental Activities Debt
September 30, 2019
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to Coppell (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Dallas County	$ 151,495,000	2.950 %	$ 4,469,102
Coppell Independent School District	382,497,416	58.540	223,913,987
Carrollton-Farmers Branch Independent School District	230,980,000	2.380	5,497,324
Dallas County Community College District	182,800,000	2.950	5,392,600
Dallas County Hospital District	862,670,000	2.950	25,448,765
Dallas County Schools	36,801,240	2.950	1,085,637
Denton County	590,380,000	0.150	885,570
Denton County LID No. 1	7,125,000	16.870	1,201,988
Lewisville Independent School District	1,269,936,037	0.380	4,825,757
Grapevine-Colleyville ISD	435,416,058	0.140	609,582
Northwest Dallas County Flood Control District No. 1	13,895,000	100.000	13,895,000
Subtotal, overlapping debt			287,225,312
City of Coppell, direct debt	117,346,809	100.00	117,346,809
Total Direct and Overlapping Debt			$ 404,572,121

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of each entity's taxable assessed value that is within the City's boundaries and dividing it by each entity's total taxable assessed value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City of Coppell. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Coppell. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

Source: Texas Municipal Reports provided by the Municipal Advisory Council of Texas. The reports provide the total debt outstanding and the percentage of debt applicable to the City.

Computation of Legal Debt Margin
September 30, 2019
(Unaudited)

The City Charter of the City of Coppell, Texas does not provide for a Debt Limit; therefore, no computation can be made.

Demographic and Economic Statistics
Last Ten Calendar Years
(Unaudited)

Year	Estimated Population (1)	Personal Income	Per Capita Personal Income (1)	Median Age (1)	School Enrollment (2)	Unemployment Rate (3)
2010	39,750	$ 1,929,027,750	$ 48,529	34	10,004	6.8 %
2011	38,950	1,787,960,800	45,904	31	10,168	6.7
2012	39,070	1,863,209,230	47,689	38	10,676	5.7
2013	39,090	1,821,906,720	46,608	38	11,323	5.6
2014	39,380	1,876,693,280	47,656	38	11,561	4.7
2015	39,880	1,863,034,080	46,716	38	11,867	3.4
2016	40,310	2,137,719,920	53,032	38	12,368	3.8
2017	40,820	2,213,668,600	54,230	38	12,391	3.6
2018	41,100	2,377,717,200	57,852	38	12,895	3.1
2019	41,290	2,468,935,550	59,795	38	13,261	2.9

Sources:
(1) City's Community Development Department
(2) Coppell Independent School District
(3) Texas Workforce Commission

Principal Employers,
Current Year and Nine Years Ago
(Unaudited)

2019			2010		
Employer	Employees	Percentage of Total City Employment	Employer	Employees	Percentage of Total City Employment
Amazon (multiple locations)	4,400	17.55 %	U.S. Postal Service - Bulk Mail Center	1,492	10.66 %
U.S. Postal Service - North Texas Processing & D	1,621	6.46	Coppell Independent School District	1,131	8.08
Coppell Independent School District	1,320	5.26	American Home Mortgage Servicing,	1,000	7.14
AAA of Texas	1,200	4.79	Avaya Telecommunications, Inc.	550	3.93
Verizon Service Center	1,200	4.79	IBM	505	3.61
IBM	1,083	3.07	Samsung	500	3.57
The Container Store	770	2.74	Mannatech, Inc.	452	3.23
Caliber Home Loans	686	4.32	The Container Store	450	3.21
Brinks	500	1.99	UPS Supply Chain	400	2.86
City of Coppell	445	1.77	City of Coppell	380	2.71
Total	13,225	52.74 %		6,860	49.00 %

Source: City of Coppell Community Development, Texas Workforce Commission, North Central Texas Council of Governments

Full-Time Equivalent City Government Employees By function/Program,
Last Ten Fiscal Years
(Unaudited)

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	37	37	36	36.5	36.5	39.5	54.5	56.5	40.5	41
Public Safety	194	194	194	194	196	202	186	174	187	198.5
Public Works	41	41	40	43	42.5	41.5	52.25	51.25	57.5	57.5
Culture and Recreation	92.72	93.72	93.72	110.57	111.64	109.14	114.89	115.39	115.89	121.39
Water and Sewer	23	23	24	24	24.5	24.5	23.75	22.75	22.5	22.5
Total	387.72	388.72	387.72	408.07	411.14	416.64	431.39	419.89	423.39	440.89

Source: City Budget Office

Operating Indicators By Function/Program Continued
Last Ten Fiscal Years
(Unaudited)

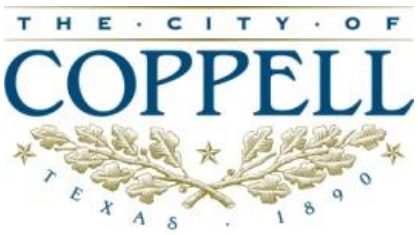
Function/Program	Fiscal Year 2010	2011	2012	2013	2014
Public Safety					
Police					
Number of Employees	80	80	80	80	80
Number of Traffic Stops	18,349	16,436	16,611	13,788	12,112
Fire					
Number of Employees	80	83	86	86	85
Number of Fire Runs	1,104	1,322	1,043	1,054	1,359
Number of EMS Runs	1,408	1,543	1,672	1,676	1,832
Public Works					
Streets					
Street Resurfacing (miles)	-	-	-	-	-
Streets - Paved (miles)	-	2	1	1	-
Streets - Paved (Square Yards)	2,179	47,137	15,740	13,393	12,241
Alleys - Paved (miles)	-	-	-	-	-
Potholes Repaired	78	286	308	99	70
Traffic Signals	1	-	-	2	-
Street Miles (Centerline)	-	-	1	-	2
Lane Miles Added	-	-	2	3	4
Street Miles	394	394	396	396	403
Cultural and Recreational					
Parks and Recreation					
Coppell Aquatic & Recreational Center (CARC) Memberships	1,414	1,530	2,123	2,406	4,846
Participants in CARC Programs	3,945	4,303	4,416	4,550	11,603
Participants in Adult Athletic Programs	1,206	1,143	1,126	1,045	1,220
Participants in Youth Athletic Programs	8,018	6,641	6,344	6,109	6,102
Number of Playgrounds	8	8	8	8	9
Number of Tennis Courts	8	12	12	12	12
Number of Swimming Pools	5	5	5	5	5
Senior Center	1	1	1	1	1
Recreation Centers	1	1	1	1	1
Library					
Volumes in Collection	92,437	93,911	92,902	95,672	93,733
Rolling Oaks Memorial Center					
Spaces Sold	97	128	83	101	953
Monument Rights	2	-	-	5	-
Niches Sold	-	19	19	24	29
Interments	31	40	38	47	51
Markers Sold	28	28	34	23	46
Benches Sold	-	-	-	3	9
Vases Sold	8	11	16	19	41
Urns Sold	-	-	-	-	-
Mausoleums Sold	-	1	-	-	-
Water and Sewer					
Number of Water Consumers	12,308	12,357	12,376	12,496	12,639
Average Daily Water Consumption (gallons)	7,450,510	8,978,682	8,447,866	8,449,060	7,856,167
Maximum Storage Capacity (gallons)	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
Number of Sewer Connections	11,339	11,396	11,407	11,506	11,587
Daily Average Treatment (gallons)	3,601,806	3,326,398	3,512,334	3,274,384	3,314,819

Source: City Departments
Notes: N/A - Data not available.
TXU - maintains the street lights.

Table 16

Concluded

Fiscal Year				
2015	2016	2017	2018	2019
85	75	75	76	75
13,996	16,383	14,523	14,470	14,744
87	86	88	90	97
1,153	1,274	1,352	1,462	1,420
1,973	2,078	1,814	1,899	1,896
-	-	-	-	-
-	3	2	-	-
42,519	32,675	18,612	-	-
3	5	-	1	-
94	312	59	180	440
1	1	-	1	-
1	1	1	-	-
3	6	2	-	-
406	407	408	408	408
8,160	12,975	10,474	20,228	24,138
30,881	4,633	4,750	6,320	7,659
912	775	644	683	674
-	-	-	-	-
9	9	9	9	9
12	12	12	12	12
5	5	5	5	5
1	1	1	1	1
1	1	1	1	1
124,612	88,601	85,474	88,108	85,520
481	226	297	237	260
-	-	-	-	-
30	22	25	44	37
64	77	83	114	118
70	70	74	60	121
-	5	9	7	5
51	65	62	47	65
-	-	-	-	-
-	-	-	-	-
12,913	13,137	13,327	13,384	13,430
7,617,968	8,742,418	8,860,975	9,846,104	8,524,416
13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
11,806	12,012	12,174	12,222	12,263
4,706,030	4,587,737	3,773,805	3,274,507	3,623,293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Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Patrol Units	41	40	41	41	41	43	48	44	46	43
Police Motorcycle Units	5	5	5	5	4	5	5	5	5	5
Fire Stations	3	3	3	3	3	3	3	3	3	3
Development Services										
Streets - Paved (miles)	-	2	2	2	-	-	-	-	-	-
Cultural and Recreational										
Parks (acres)	545	545	545	545	545	545	545	545	545	545
Number of Playgrounds	8	8	8	8	9	9	9	9	9	9
Number of Tennis Courts	8	12	12	12	12	12	16	16	12	12
Number of Swimming Pools	5	5	5	5	5	5	5	5	5	5
Senior Center	1	1	1	1	1	1	1	1	1	1
Recreation Centers	1	1	1	1	1	1	1	1	1	1
Water and Sewer										
Water Mains (miles)	190	190	191	193	199	200	202	200	203	203
Water System Valves	4,671	4,754	4,815	4,922	5,104	5,234	5,444	5,398	5,408	5,413
Manholes	2,457	2,482	2,516	2,557	2,689	2,725	2,748	2,695	2,701	2,698
Fire Hydrants	1,657	1,677	1,693	1,728	1,805	1,831	1,841	1,824	1,843	1,845
Sanitary Sewers (miles)	163	165	166	170	188	189	191	173	173	173

Source: City Departments

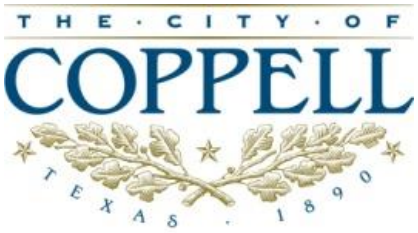
ACTIVE AND RETIREE HEALTH INSURANCE COSTS
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Total Health Plan Expenses	Retiree Expense	Percentage Retiree Costs to Total	Active Members	Retirees Using City Health Plan	Total TMRS Retirees
2010	$ 2,795,150	$ 71,656	2.56 %	352	5	88
2011	1,844,695	3,496	0.19	345	4	100
2012	1,377,355	7,885	0.57	342	4	113
2013	2,213,461	-	0.00	342	3	124
2014	2,604,296	12,705	0.49	342	4	124
2015	3,851,117	105,561	2.74	362	5	156
2016	3,517,312	181,733	5.17	355	4	182
2017	3,691,798	17,172	0.47	357	5	190
2018	2,140,391	34,769	1.62	356	5	203
2019	2,835,947	27,727	0.98	367	6	217
Total	$ 26,871,522	$ 462,704	1.72 %			
Average	$ 2,687,152	$ 46,270		352	5	150

Source: City Records, Third Party Administrator Records, Texas Municipal Retirement System (TMRS)

Table 18
Concluded

Percentage Retirees Using Plan to Total Members		Retiree Contributions	Net Subsidy of Retirees	Subsidy as Percentage of Total Expense		Cost per Active Member		Cost per Retiree
5.68	%	20,191	(51,465)	(71.82)	%	7,941	$	14,331
4.00		29,446	25,950	742.28		5,347		874
3.54		30,942	23,057	292.42		4,027		1,971
2.42		21,903	21,903	-		6,472		-
3.23		31,797	19,092	150.27		7,615		3,176
3.21		55,327	(50,234)	(47.59)		10,638		21,112
2.20		72,351	(109,382)	(60.19)		9,908		45,433
2.63		65,073	47,901	278.95		10,341		3,434
2.46		95,231	60,462	173.90		6,012		6,954
2.76		114,944	87,217	314.56		7,727		4,621
		$ 537,205	$ 74,501	16.10	%	$ 76,029	$	101,906
3.33	%	$ 53,720	$ 7,450			$ 7,603	$	10,191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